

# Transformation Challenge Award

## 2015-16 Final Bid Form B

B. Encouraging places that have ambitious plans to work in partnership across the public sector and with the voluntary and community sector or private sector to re-design services.

### **The Data Protection Act: Freedom of Information Act 2000**

The Department for Communities and Local Government undertakes to use its best endeavours to hold confidential any information provided in any application form submitted, subject to our contracting obligations under law, including the Freedom of Information Act 2000. If you consider that any of the information submitted in the application form should not be disclosed because of its sensitivity, then this should be stated with the reason for considering it sensitive. The department will then consult with you in considering any request received under the Freedom of Information Act 2000 before replying to such a request.

Applicants should be aware that the following conditions will also apply to all bid applications:

- We may use your information for the purposes of research and statistical analysis and may share anonymised information with other government departments, agencies or third parties for research and statistical analysis and reporting purposes.
- Our policies and procedures in relation to the application and evaluation of grants are subject to audit and review by both internal and external auditors. Your information may be subject to such audit and review.
- We propose to include light touch monitoring by the department utilising publicly available information. We would encourage applicants to regularly publicise progress on their websites and disseminate good practice.
- The department will publish summaries of all successful bids.

## 2015-16 Transformation Challenge Award – Final Bid Form

Completed final bid forms should be approved and signed by the Section 151 officer of each local authority partner to the bid and authorised person for other partners. The form should be returned in electronic format to [transformation@communities.gsi.gov.uk](mailto:transformation@communities.gsi.gov.uk) by no later than 5pm on 1 October 2014. Please also complete and send a complete [New Economy CBA Tool](#) with your application.

### PART A: BID INFORMATION

#### Section A1: Bid information

*Note: This bid is for the Transformation Challenge Award 2015-16 B.*

Local Authority Name/Name of bidding organisation:	Blaby District Council
Name of Contact(s):	Application Lead: Sandra Whiles Application Sponsor: Cheryl Davenport Application Manager: Danny Myers
Position in authority:	Application Lead: Chief Executive Blaby District Council Application Sponsor: Director of Health and Care Integration, Leicestershire County Council Programme Manager/Policy Manager, Leicestershire County Council
Telephone number(s) of the contact(s):	Sandra Whiles: 0116 2727501 Cheryl Davenport:0116 3054212 Danny Myers: 0116 3055501
Email address of the contact(s):	Sandra Whiles: <a href="mailto:sw2@blaby.gov.uk">sw2@blaby.gov.uk</a> <a href="mailto:cheryl.davenport@leics.gov.uk">cheryl.davenport@leics.gov.uk</a> <a href="mailto:danny.myers@leics.gov.uk">danny.myers@leics.gov.uk</a>
Short Project Description	<p><b>The Light Bulb Project</b> will redesign housing support so that it can manage, design, deliver, and commission holistic housing support that will provide savings to wider health and social care economy. This transformation will focus on the achievement of three key changes to the frontline offer.</p> <ol style="list-style-type: none"> <li>1) <b>A single point of contact</b> or referral;</li> <li>2) <b>A single, broader assessment</b> process which will be accompanied by a <b>case management service</b>;</li> <li>3) <b>A broader offer of housing support and advice</b> with access to handyperson services, cost effective recycled furniture, affordable warmth advice and practical support including housing based assessment services and minor and major adaptations.</li> </ol> <p>There will be no hand offs between organisations; no bureaucracy to negotiate. <b>Light Bulb has the potential to make all housing support services easier to access, better</b></p>

	targeted, stigma free, tenure neutral, more efficient and more effective.
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## Section A2: Eligibility criteria

*Note: This bid is for the Transformation Challenge Award 2015-16 B.*

Please tick to confirm that the bid meets all the following eligibility criteria:

1. Savings must exceed the amount of grant / capital receipt flexibility sought. ✓
2. The bid must have a positive impact on service users. ✓
3. As a minimum bids must be in partnership with at least one other partner. This could be another local authority, public authority, the Voluntary and Community Sector or a private sector partner. ✓
4. *For capital flexibility only.* That the value of the asset sale is genuinely additional to those disposals that would have happened anyway – tick or specify not applicable.  **Not applicable**
5. The proposal has been signed off by your Section 151 officer. ✓

## PART B: BUSINESS CASE

# The Light Bulb Project

*Reducing the number of services it takes to change a light bulb  
(and other services you were afraid to ask for)*



# The Strategic Case

"We will integrate practical housing support into a single service that is available to all, that is easier to access, easier to use, and will provide support shaped around an individual's need not an organisation's processes.

The Light Bulb Project will **integrate public services, develop markets and design innovative business models and solutions**. Above all, it will keep Emma at **home**.



## The reason for transformation - Why the existing approach needs to change

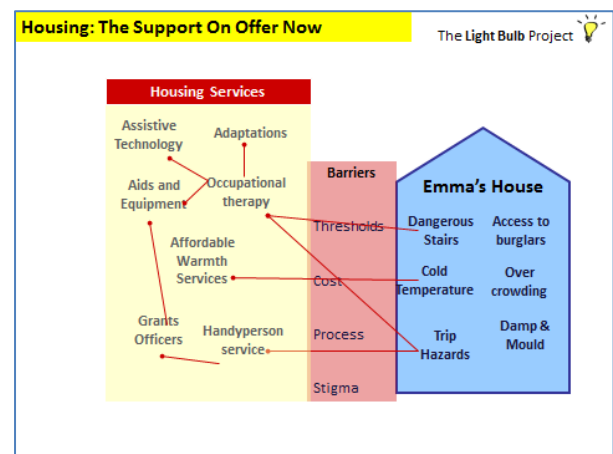
*Emma lived alone, struggling to heat her home and get out. Her carpets were worn and she had a lot of furniture packed into tight spaces. The inevitable happened - Emma became ill and had a fall. She accessed step-up care for 46 days, went home for two days, but became ill again and ended up in hospital. After five days Emma was transferred to a nursing home where she remains<sup>1</sup>.*

Emma didn't need to go to hospital or end up in care had the Light Bulb Project been in place as an integrated part of her care plan. In 2013/14, Emma was one of approximately 20,000, 75+ A&E attendances and became one of the 1700 publicly funded residential care placements in Leicestershire. Emma was one of the 7,000 over 75s avoidable admissions to A&E.

However, our housing support offer as it is currently organised in Leicestershire is too complex, too bureaucratic and too narrow to be able to help Emma sufficiently. This support is funded and managed across two tiers of eight local authorities and delivered by a multitude of public, private, voluntary and landlord based providers.

For someone like Emma or someone acting on Emma's behalf, it is difficult to know where to start. Then, once "in" there are various inconvenient handover points to other organisations and what is actually on offer could be more helpful to residents. This disparate and threshold driven offer undoubtedly presents as too complicated and also excludes many who need support and advice, such as the isolated elderly in their own homes with assets but little income. Elderly people like Emma.

**We need to change to be able to help. We need help to be able to change.**



## The Light Bulb Project's Objectives - What we are trying to address/improve

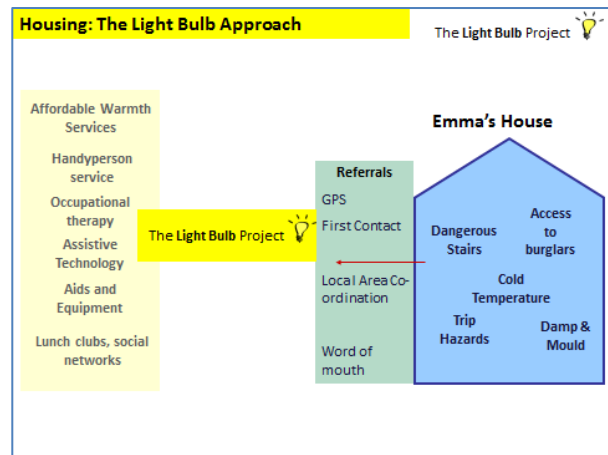
The Light Bulb Project will redesign housing support as it seeks to integrate resources into a single, pooled budget that will manage, design, deliver and commission holistic housing support. As this transformation behind the frontline takes place, the focus of those involved will remain on the achievement of three key changes to the frontline offer - three key changes that will make helping Emma possible.

1. **A single point of contact** for Emma or referral for someone working with Emma;
2. **A single, broader assessment** process which will be accompanied by a **case management service**;

<sup>1</sup> Costed Case Studies developed by Research and Insight and Performance Management, Leicestershire County Council, 2014

3. **A broader offer of housing support and advice** with access to handy person services, cost effective recycled furniture, affordable warmth advice and practical support including housing based assessment services and minor and major adaptations.

There will be no hand offs between organisations; no bureaucracy for Emma to negotiate. **Light Bulb has the potential to make all housing support services easier to access, better targeted, stigma free, tenure neutral, more efficient and more effective.**



Light Bulb won't just be helping Emma however. The benefits to Leicestershire's Health and Social Care Economy are potentially significant. A third<sup>2</sup> of 75+ hospital admissions are considered avoidable and every care placement avoided or delayed represents a significant opportunity for saving<sup>3</sup>. Together, these admissions and placements cost Leicestershire's health and social care budgets approximately £77m<sup>4</sup> in 2013-14 and this is likely to rise with an ageing population<sup>6</sup>. As we establish with the use of the CBA Transformational Calculator, Light Bulb could deliver £13m worth of savings to this highly pressured economy over a 10 year period.

### How this transformation fits with the wider priorities for partners in Leicestershire

Blaby District Council is leading on the development of the Light Bulb Project as their Chief Executive is the District's strategic lead on health, housing and wellbeing. However, Leicestershire, as a place, is committed to supporting Blaby to develop the Light Bulb Project.

#### We have aligned resources and are now prepared to consider pooling them

- Our Health and Wellbeing board is supporting the Better Care Together Programme bid which outlines how health and social care partners can, by working together, save £400m over the next five years as part of the Better Care Together Strategy, and has formally supported the bid.
- The County Council, needing itself to reduce spending by £110m (nearly 30%) by 2017/18, has offered both formal and financial support (detailed elsewhere) to the development of the Light Bulb Project.
- Our 6 other district councils, like us, are facing significant financial pressures and have also supported and prepared to consider allocating resources to the integration necessary for Light Bulb.

#### We have aligned polices and share priorities

The support for the Light Bulb project bears testimony to a significant and recent realignment of priorities across Leicester, Leicestershire and Rutland. **The Housing Offer to Health<sup>7</sup>**, developed in conjunction with the Chartered Institute of Housing in 2013, offered to concentrate the collective efforts of the 7 District Councils on developing services to help health and social care partners achieve their Better Care Fund priorities. Hence, the plan for the Better Care Fund and its accompanying Unified Prevention Offer, recognises housing, and the Light Bulb Project specifically, as vital in delivering this redesigned sustainability. The Light Bulb Project is an opportunity for housing partners to demonstrate the significant impact that housing has in helping the local health and social care economy accommodate rising demand with reduced resources.

#### We have a shared history of achievement on partnership which we plan to build on

In Leicestershire, we want to build greater resilience and capacity in individuals, families, local markets and communities with the aim ultimately of reducing demands on front line services. This is reflected in the four

<sup>2</sup> Frail Older People Business Case, West Leicestershire Clinical Commissioning Group, June 2014

<sup>3</sup> Each placement costs between £25,000 and £36,000 a year to Leicestershire County Council

<sup>4</sup> Roughly £48m from Over 75 admissions and cost of average stays (derived from Frail Older People Business Case, West Leicestershire Clinical Commissioning Group, June 2014) and £29m from residential and nursing care placements at Leicestershire County Council (minus 36% charging)

<sup>6</sup> As described within the JSNA3 (Leicestershire's Joint Strategic Needs Assessment, 2012), both the number and the proportion of the population in Leicestershire aged 65 and over will continue to increase from the estimated 115,100 (17.6%) in 2010 to 151,100 (21.2%)

<sup>7</sup> See Page 229, Care and Support Statutory Guidance, Issued under the Care Act 2014

Transformation bids to the DCLG submitted by the county's 8 local authorities. All four are focused on developing a new approach to achieve our shared, strategic ambition: to begin to left shift citizen behaviour and expectations of the state. Though each are standalone applications for funding, together they represent a whole life strategic approach in achieving this ambition by tackling emerging issues at the earliest possible point for young families, working age adults and specifically, though not exclusively with this bid, for vulnerable, older people.

All partnership ventures pose a certain type of risk. In Leicestershire, we have a good track record of managing this risk. In Leicestershire, we have delivered, in partnership, significant change to public services to improve outcomes for residents. This includes initiatives such as 'Total Place', 'Community Budgets' and the 'Troubled Families/Supporting Leicestershire Families (SLF)' programme that all point to a culture of partnership led change which has delivered successfully and continues to do so with the new Better Care Fund plan.

### Managing Risk, Delivering Ambition

The Light Bulb Project Plan has four phases which should enable further success.

#### Managing Risk

1. **2014-15** – We establish budget hosting arrangements for resources already secured through the bid and from partners and align the Light Bulb to the county's key health and social care integration plans;
2. **2015-16** – We refine the service offer with further insight work and a pilot scheme. We manage legal, managerial and financial risks for the transfer of staff and statutory responsibility into a fully integrated cross-county housing support service, including those associated with Disabled Facilities Grants.

**By April 2016, local authority stakeholders will be legally and financially assured and persuaded operationally to transfer existing resources to Light Bulb. The Light Bulb Project is Switched On.**

#### Delivering Ambition

3. **2016-2017** – Light Bulb is fully operational. We are now in a position to clearly demonstrate that the redesigned service has alleviated pressure on high cost A&E admissions. Consequently, as part of the bi-annual spending round, we seek to secure additional investments from Clinical Commissioning Groups through the Better Care Fund as an "invest to save" approach to the Light Bulb Project.
4. **2017-18** – Light Bulb, now able to make a business, political, financial and operational case for its approach, considers its own business model and whether to expand structurally into the market and/or geographically to cover the whole of Leicester, Leicestershire and Rutland.

**By April 2018, all health, social care and housing stakeholders recognise and support the Light Bulb Project – politically, operationally, and financially and the Light Bulb Model is considered viable for expansion into the market and/or a larger geography.**

By 2018, potentially, Light Bulb won't just have helped people and agencies in Leicestershire. With financial responsibility for Disabled Facilities Grants by now transferred to the Better Care Fund and health and social care economies all across England trying to manage down demand on expensive health and care settings, Light Bulb will have been able to provide guidance and transformational learning to other local authorities on how to:

1. **integrate reduced budgets, including the Disabled Facilities Grant (DFG)**, into a single flexible, innovative, market facing delivery model;
2. **monitor how housing support can generate savings for hospitals and the care system based on a preventative outcome model** so that local authorities and Clinical Commissioning Groups across England can make informed decisions as to the long term funding for these services;
3. **withdrawal from direct service provision** while
  - a. retaining the necessary influence to shape local markets
  - b. provide a more user focused service to the public; and
4. **manage risk effectively** enough to reassure 8 local authorities into to delivering differently and committing significant resources.

# The Financial Case



We aim to integrate £8m worth of housing services across 8 local authorities. This integration has the potential to provide us with an opportunity for savings through simplified and improved contact points, smarter referral routes, a case management offer, smarter procurement and reduced management costs.

**We need £1m to manage and deliver this service integration and transformation.**

The Light Bulb Project is not just asking for money to help deliver a significant transformational change. Local authorities in Leicestershire are prepared to consider committing resources far in excess of this bid to ensure that this change happens and is successful. We estimate there is a potential £8m worth of service integration that would form the bulk of The Light Bulb Project's budget - approximately £5m from district budgets and £3m from the County Council. All 8 local authorities are prepared to consider devolving these responsibilities and committing these budgets to the transformation outlined below and potentially funded by the £1m we have bid for. Together this integration and investment, according to the Cost Benefit Tool, indicates that over a 10 year period the net present budget impact is -£12m over 10 years, a payback period of 3 years with a return on investment ratio of 12.87.

Cashable (discounted) benefits over 10 years total £13m as detailed in the table below

<b>Organisation</b>	<b>£'000</b>
<b>Local Authority – social services</b>	5,776
<b>NHS Acute Sector</b>	5,515
<b>NHS – EMAS</b>	1,849
<b>Total discounted benefits over 10 years</b>	<b>13,140</b>

As the Light Bulb project is a preventative service the majority of the savings are attributable to the NHS rather than the local authority. As local authorities are under pressure to identify savings within their organisation, consideration will be given to fund Light Bulb (in full, or in part) from the Better Care Fund on an ongoing basis. It is programmed into the development of the Light Bulb project that such a decision would be sought in 2016-17 once any integration has been successfully managed and there is tangible evidence that the service is generating savings to the health and social care economy (see the Economic Case). To do this the budget has an early focus on performance business analysis and IT systems to help evidence outcomes to the health and social care economy.

Should this funding be secured, there is potential that the commitments by Local Authorities, in particular the additional funding for major adaptations in excess of the Disabled Facilities Grants, could be reduced in three ways.

- Efficiencies could be generated through a holistic preventative approach.
- Smarter procurement resulting in efficiencies and economies of scale.
- Despite the expectation that demand would rise, we would expect this capacity to be managed through the savings generated.

## **Funding**

In addition to the Transformation Challenge Award, funds have been identified to support the implementation of the project, neither of which are dependent on the success of this bid. These include:



- Better Care Fund £100k (non-recurrent) has been allocated in 2014/15 to continue the work that has already started in developing the service.
- Leicestershire County Council (Adults and Communities department) £240k (recurrent) has been committed to support both the implementation and ongoing costs of the Light Bulb project.

In terms of the final service delivery model, the Light Bulb project could oversee an amalgamation of funds across all of the partners. The total value of the pooled fund will depend on the final delivery model that is adopted. The indicative scope of potential funding for the service delivery is detailed in the table below:

<u>Service Area</u>	<u>Indicative Ongoing Annual Cost</u> <u>£'000</u>
<b>Light Bulb Core Team</b>	300
<b>Disabled Facilities Grants / Adaptations</b>	5,155
<b>Occupational Therapy</b>	1,574
<b>Warm Homes / Energy Efficiency</b>	351
<b>Handy Persons Schemes / Home Improvement Agencies</b>	212
	<b>7,592</b>

### Risks and Sustainability

As part of the implementation phase, a full risk register will be maintained that will identify risks along with mitigating actions. The key financial risks are:

<u>Risk</u>	<u>Impact</u>	<u>Likelihood</u>	<u>Mitigation</u>
<b>Potential for costs to increase</b>	Low	Low	Cost inflation to the project has been included where appropriate and a positive NPV can still be achieved. The cost of the project also includes a 10% contingency to allow for unanticipated expenditure.
<b>Additional contributions to the project are withdrawn.</b>	Medium	Low	Commitment from funding organisations will have been agreed.
<b>Long term funding from partners compromised</b>	High	Medium	Clarity of funding contributions and outcomes to be detailed in the pooled budget agreement.
<b>Savings not achieved</b>	High	Medium	Conservative benefits are estimated in the model. Ongoing performance management reporting to ensure that the service provides value for money.
<b>Increased demand exceeds available funding</b>	High	Medium	Ensure robust data collection to demonstrate the savings achieved through Light Bulb in health and social care settings to secure additional funding from the Better Care Fund

### The resources requested

Blaby District Council, on behalf of all local authorities in Leicestershire, is seeking £1m to deliver the transformational elements of the Light Bulb Project. Many of these transformational costings identified in the bid ask have been based on costs incurred during the development of the Supporting Leicestershire Families Programme (part of the Government's Troubled Families Programme). This includes change management, insight, business analysis, training, ICT, legal and financial costs. These have been applied to an estimated scale

to the Light Bulb bid.

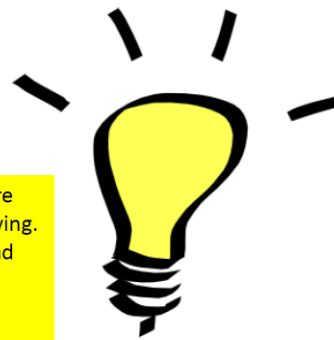
The experience and expertise secured in the SLF successful transformation programme will also be available to call upon throughout the development of the Light Bulb. For example, the robust memorandum of understanding which forms the basis of partnership working<sup>8</sup>.

This £1m will be used to pay for three key elements of the transformation project.

1. **Delivering Change: £480k**
  - a. The Project, Risk and Change Management required to oversee the potential integration of £8m pounds worth of local authority services and spend spread across 8 local authorities into a possible pooled budget and agreed governance and risk management structure
  - b. Testing the viability of Light Bulb adopting a different business model.
  - c. Both of the above to include additional legal advice required to ensure any budget and staff transfer and any business model adopted is viable.
  - d. Business Analysis required to map and identify service improvements, efficiencies and savings from within the existing local authority service bundle, such as minor and major adaptation assessment and delivery.
2. **Testing Change - Light Bulb will be developed as it delivers: £180k**
  - a. Customer Insight: We will require face to face engagement with potential service users to ensure that the service we design is the service they require as a follow up to the insight work already carried out (see the Commercial Case).
  - b. Leicestershire County Council have already committed an additional £240,000 to the Light Bulb Project from October 2015. This bid is asking for a similar amount from the DCLG to be deployed from April so that a pilot Light Bulb staff can be deployed with the necessary management, contact, assessment, case management and delivery components.
3. **Enabling Change: £340k**
  - a. Year 1 Business Analysis capacity to assess capacity and ICT resources required for Light Bulb to operate a single point of contact/referral and case management service
  - b. We have identified that to enable Light Bulb to operate as an effective single point of contact and assessment/case management service there will need to be new ICT technology to support this.

This upfront, transformational investment of £1m could allow 8 local authorities to integrate, reorganise and redesign their housing support offer. A process which, based on the New Economy CBA Tool, has a potential of generating back this £1 million in its first year of being fully operational (2016-2017). The Economic Case explains how.

## The Economic Case



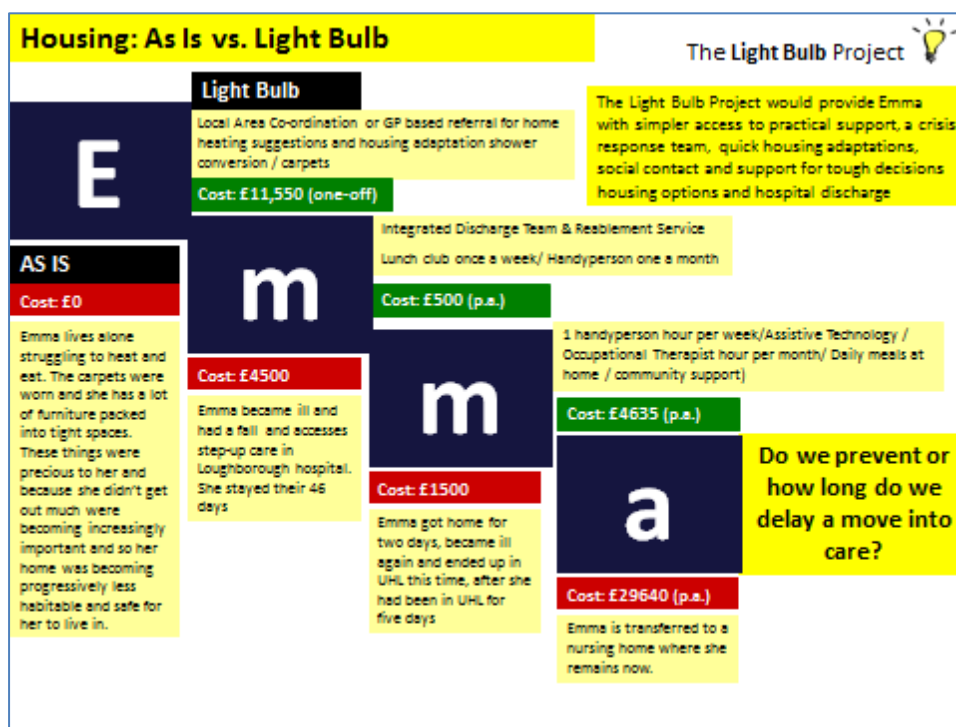
A third of 75+ hospital admissions are considered avoidable and every care placement avoided or delayed represents a significant opportunity for saving. Together these admissions and placements cost Leicestershire's health and social care budgets approximately £77m.

**Light Bulb could deliver savings of around £13m over the next ten years to these health and care budgets.**

It is estimated that poor housing costs the NHS £600m per year. Furthermore, the average housing adaptation is £6,000 compared with an annual care home cost of £26,000<sup>9</sup>. Light Bulb is designed to make an impact economically, not just on services, but also to the individual.

Emma is a good example of how we can help to address this change for people to help them remain in their own homes.

### Emma's case



### The benefits and savings Light Bulb can provide to Emma

Emma's home care totals around £5,000 per annum with a relatively high one off adaptation cost of £11,500. In total this is £10,000 less than one year of residential care and £15,000 less than a year of nursing home costs. More importantly, the adaptations if targeted and bespoke increase Emma's confidence and wellbeing and prevents frailty. The more up front these discussions are, the minimum impact for the person, family and services. Light Bulb's streamlined assessment process and professional Occupational Therapist (OT) support would ensure that Emma would be able to make supported choices far quicker than the current

<sup>9</sup> [Age UK Housing in Later Life, 2014](#)

system and better, more informed choices with her personal budget. Hopefully, this will occur, prior to that first illness that caused the fall. Even if she isn't eligible for a grant, Light Bulb would be able to secure adaptations at a cheaper cost by working directly with commercial companies through bulk purchasing for a larger customer base, rather than what individuals alone would be able to negotiate. This would also allow Emma to realise the benefits of up-front adaptations as opposed to potential future ongoing care costs.

In Emma's case, it was only a matter of weeks before she was transferred to a nursing home. In a survey by the Institute of Public Care on information relating to the circumstances of 36 older people prior to their admission to a care homes, 28 of those surveyed attributed admittance to a critical event. For 40% of the 28, this was a fall (both hospitalised and non-hospitalised).

In a study<sup>10</sup> 39 respondents stated that their adaptations had been in place for an average of 3.57 years (2,227 weeks) at an average cost of £10,569. If this is broken down into weeks, it equates to an average of £4.74 a week to reduce the burden of care on either a family carer or paid carers – less than the cost of providing one hour's home care. Taking this one step further, if the adaptations provided had prevented an admission to a care home this could produce a potential saving of £1.5 million (assuming care home fees of £678 per week over 3.57 years). In the study sample there were 13 cases in which the adaptation was benefiting an extra disabled person, and the average time the adaptation had already been in use was 2.7 years, at an average cost of £10,861. This equates to a cost of £6.40 per week for a single person, but only £3.20 if the second beneficiary is taken into account.

#### **The benefits Light Bulb will bring to health and social care economies**

It is anticipated that Light Bulb will have a positive impact on both the health and social care economies. The streamlined assessment process will deliver a better customer experience as well as increase our ability to engage with more people so that the benefits to health and social care can become even greater over a longer period. It is acknowledged that this will produce higher demand for adaptations than current levels (see The Management Case).

Within the CBA tool, recent data has been used to evidence need and model the impact of potential Light Bulb interventions. To ensure that robust data analysis continues throughout the life of the project, Business Analysis resources have been factored into the initial set up costs of the project. It is important to Light Bulb to continuously prove a tangible social return on investment. However, more work needs to be undertaken on collating information on how many people take up the offer of an adaptation and understand the reasons why adaptations might not go ahead. Currently, the CBA tool shows an anecdotal figure of a 5% refusal rate. In addition to this there is a need to show impact data on adaptations and their benefits to residents over time. For example, how long can this delay or mitigate entirely the need for a move to a care home? This is particularly relevant for those with dementia. There is also a need to measure the softer benefits associated with isolation and mental health and wellbeing for those that have been able to remain in their homes for longer.

The importance of robust data is paramount as this is where we hope to evidence NHS cost reductions in order to secure CCG investment in the future. In turn, there is also the possibility of a more streamlined assessment process leading to more informed choices for residents and perhaps in turn, leading to a reduction in DFG's. For example minor adaptations for bath hoists instead of a major adaptation for level shower access.

<sup>10</sup> <http://www.scotland.gov.uk/Resource/Doc/924/0104641.pdf>

### **The Potential Economic Benefits to Social Care**

Projecting Older People Population Information (POPPI) stats show 3305 over 65's will be living in a care home, with or without nursing, in Leicestershire in 2014 (2200 people wholly or partly funded by adult social care). The cost to adult social care is approximately £350 per week (this rises to £590 for full funding, however the majority are part funded). POPPI projects that this is likely to rise to around 4902 people by 2025 costing approximately £89,203,654 to Adult Social Care and self-funders. Light Bulb aims to prevent or delay people going into care homes by ensuring peoples own homes are fit for purpose for longer. If there are on average an additional 532 people going into care every year until 2025, approximately 180 of those would be living in non-decent homes. This is based on data that around a third of pensioners homes are "non-decent"<sup>12</sup> and if Light Bulb could work with 33% of projected households, before they went into care in 2025, this could reduce the bill to Adult Social Care by around £7,000,000 over 10 years or £940,000 per year (this figure is adjusted based on there not being 100% impact until year 5). Additionally the annual public benefit rises to £1.4 million per year equating to £10.5 over 10 years (100% annual impact from year 5).

### **The Potential Economic Benefits to NHS**

Falls cost the NHS more than £2 billion per year<sup>13</sup>. Light Bulb aims to work within a cohort of around 3528 people of the 144,346 A&E admissions a year in Leicestershire. The 3528 people are those that fall, are conveyed to hospital, but not admitted. Again working with 33% of these as the percentage of people with non-decent homes within the cohort, this equates to a reduction in attendance costs of approximately £42,500 per year or £320,500 over 10 years (this figure is adjusted based on there not being 100% impact until year 5). In addition to this, Light Bulb will aim to reduce by 33% (those with non-decent homes) those that are admitted to hospital due to a fall. This in turn will lead to £854,000 annual benefits to the NHS equating to a projected £6,406,000 over the ten years.

In total there are projected savings of around £6,727,500 over the 10 year period to Hospital based services.

### **The Potential Economic Benefits to the Ambulance Service**

For the Ambulance service Light Bulb aims to reduce the numbers of falls people suffer in their homes that are then not conveyed to hospital. Using East Midland Ambulance Service data we have calculated that there are approximately 7051 of these a year. If we aim to work with 33% of the households to prevent these types of callouts, we could reduce EMAS costs annually by around £300,000 per year or £2,250,000 over the 10 year period.

In total, the net present public value, over the 10 years equates to approximately £15 million, with a public value return on investment of £12.87 back for every £1 spent.

The redesigned housing support offer that Light Bulb will deliver therefore needs to ensure that the increased demand and through-put we want to achieve includes this cohort of people. Light Bulb's Commercial Case outlines how this redesign will enable this smarter targeting; how we get to this vital 33%.

<sup>12</sup> <http://www.jrf.org.uk/sites/files/jrf/older-people-support-full.pdf>

<sup>13</sup> [http://www.kingsfund.org.uk/sites/files/kf/field/field\\_publication\\_file/exploring-system-wide-costs-of-falls-in-torbay-kingsfund-aug13.pdf](http://www.kingsfund.org.uk/sites/files/kf/field/field_publication_file/exploring-system-wide-costs-of-falls-in-torbay-kingsfund-aug13.pdf)

# The Commercial Case

“ Light Bulb will manage, deliver, procure and influence housing support provision in in Leicestershire - pioneering a broader, more flexible, bespoke offer to Leicestershire residents.

Light Bulb will be in a unique place to shape the market and possibly enter it once the necessary integration and transformation has taken place.



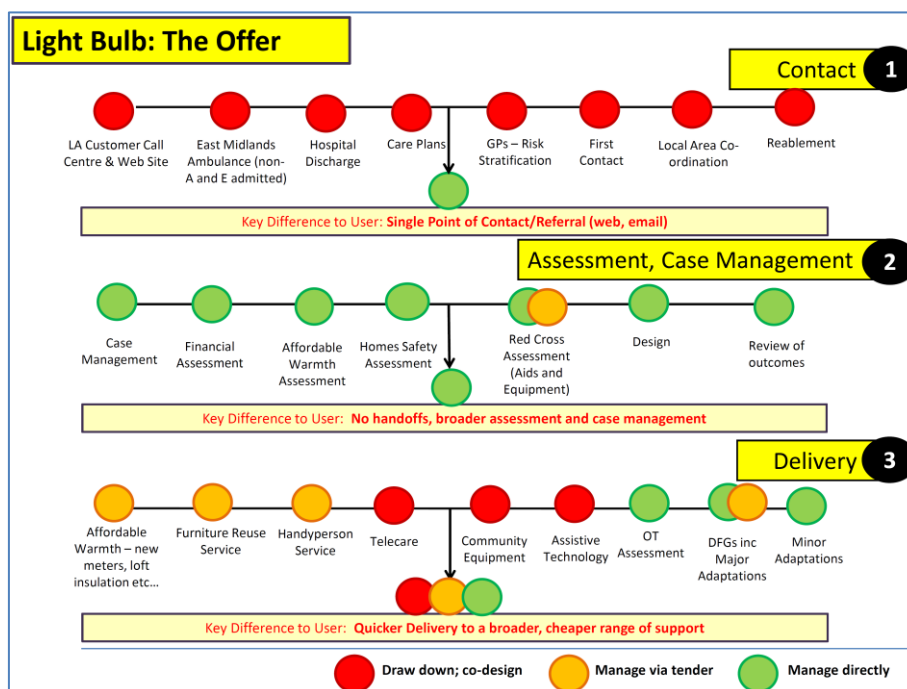
## How the new service model will be delivered and why is this the best way of doing it

The three key aims of the Light Bulb Project are to deliver:

- 1) **A single point of contact or referral;**
- 2) **A single, broader assessment** process accompanied by a **case management service;**
- 3) **A broader offer of housing support.**

With these three priorities in mind, Light Bulb, potentially brings together into one financial and management arrangement structure, the following functions over the next three years:

- 1) **Contact:** The development, introduction and management by Light Bulb of a new single point of contact and/or referral with smarter targeting and better developed demand channels to reach our target cohort;
- 2) **Assessment and Case Management:** The development, introduction and management by Light Bulb of a new single assessment process and case management service via a combination of service redesign and cross authority integration of existing staff that increases delivery options and reduces waiting time;
- 3) **Delivery:** the delivery of a broader range of housing solutions via the
  - management and delivery of pre-existing local authority services;
  - the redesign and management of pre-existing local authority service specifications put to market;
  - the design, development and commissioning of new service specifications put to market;
  - the drawdown of services from contracts that Light Bulb would not be responsible for.



### Single Point of Contact/Referral

Light Bulb would be responsible for the contact and referral process via e-mail, internet and phone and existing referral process such as First Contact Leicestershire<sup>14</sup>. The supporting ICT requirements would also be the direct responsibility of Light Bulb. The Contact Point would offer to the following:

User	Light Bulb and Partners	Market
<ul style="list-style-type: none"> <li>• Light touch sign posting service</li> <li>• Conduit into the mainstream Light Bulb Assessment and Case Management offer.</li> </ul>	<ul style="list-style-type: none"> <li>• A single point of referral</li> <li>• Smarter targeting of potentially vulnerable users</li> <li>• A robust dataset to enable smarter promotion in Years 2 and 3 and smarter specifications for Light Bulb's delivery components which go to market.</li> </ul>	<ul style="list-style-type: none"> <li>• Access to an increased, better targeted segment of the population.</li> </ul>

We know that smarter targeting could helpfully stimulate the most beneficial demand for housing support. In Years 1 and 2, Light Bulb would seek to ensure that the people that benefit most from a housing intervention, who incidentally are often the same people who provide the greatest savings to health and social care budgets, become increasingly aware of Light Bulb's offer of support at the right time (via the top line of red dots in the previous diagram). We know a lot about this demand already but inevitably we will need to understand the potential untapped demand which will help Light Bulb develop. For example, care plans, GPs and the Ambulance Service could identify and sign post people directly into housing support in a way that isn't currently managed and this could provide access to Light Bulb to those who stand to benefit most from an effective, early housing offer.

### Single Assessment Process and Case Management Offer

The biggest alteration is at this stage of the offer. Light Bulb's budget and management would be responsible for the design and delivery of assessment processes, advice and case management. This offer would be designed to ensure the following benefits:

User	Light Bulb and Partners	Market
<ul style="list-style-type: none"> <li>• Generic Assessment covering a broader range of housing, support options.</li> <li>• Case Management - navigation of potentially stressful and expensive process with trusted, identified support.</li> </ul>	<ul style="list-style-type: none"> <li>• An assessment process which does not rush to the most expensive options.</li> <li>• Knowledge about where best to develop the market when Light Bulb goes to market for delivery options.</li> <li>• Opportunities for referrals into other prevention offers.</li> </ul>	<ul style="list-style-type: none"> <li>• Direct referrals from Light Bulb assessment staff to options which Light Bulb have commissioned or exist already.</li> </ul>

In Year 1, we would need to continue to develop our understanding of the needs of our potential client base. We have costed proposals to further develop this work which this bid would support.

<sup>14</sup> <http://www.leics.gov.uk/firstcontact>



## Delivery of housing solutions

The delivery of a broader range of housing solutions following the contact, assessment and case management offer would be carried out via the

- management and delivery of pre-existing local authority services, such as specialist OT assessments;
- the redesign and management of pre-existing local authority service specifications put to market, such as furniture reuse services;
- the design, development of commissioning of new service specifications put to market, such as handyperson or affordable warmth services; and
- the drawdown of services from contracts that Light Bulb would not be responsible for, such as telecare and assistive technology.

The third and final component of the Light Bulb Business Model would seek to ensure the following benefits:

User	Light Bulb and Partners	Market
<ul style="list-style-type: none"> <li>• Quicker access to services with no hand offs.</li> <li>• A broader range of cheaper housing, support options secured via Light Bulb.</li> <li>• Overall, quicker end-to-end service to a better outcome.</li> </ul>	<ul style="list-style-type: none"> <li>• A wider range of housing support options available to client facing professionals.</li> <li>• Overall, system savings housing related A&amp;E admissions are reduced.</li> </ul>	<ul style="list-style-type: none"> <li>• A more active and reliable market to deliver a range of housing support services</li> <li>• Commissioning opportunities for innovative providers</li> </ul>

### Case Study: Affordable Warmth - How we anticipate Light Bulb will benefits users, partners and the market

As part of Public Health's Winter Planning responsibilities, we are asking for an organisation to provide affordable warmth advice and solutions. This has provided the Light Bulb with two opportunities.

The first is to market test and develop the assessment and case management offer which is pivotal to the success of Light Bulb.

The second is more illustrative of how Light Bulb, as the primary conduit into housing support services in Leicestershire, can help develop the market. Whoever eventually secures this tender will have guaranteed access to provide information via a trusted source to thousands of people every year.

Over the next couple of years, we will be able to confidently project the numbers of Light Bulb users that will seek advice on affordable warmth. Armed with this sound market projection, this organisation is then in a far stronger position to negotiate with energy suppliers to secure an even greater collective bargaining tariff on behalf of all Light Bulb referrals. This in turn would give Light Bulb a very tempting promotional hook and increase the number of people who receive housing related support and advice.

To achieve all of the above we need additional transformational resources (via the bid), the integration of services (via the pooled budget) but, crucially, a plan to manage the risks associated with both. We need to provide the assurances to those committing these resources, the DCLG and all eight local authorities, that this transformation delivers, is legally and financially viable and politically supported.

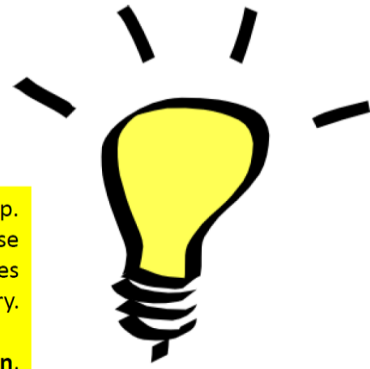
The Management Case explains how these assurances will be provided.



# The Management Case

Leicestershire has a track record of delivering innovation in partnership. We have identified risks, planned a phased integration to manage these risks and are utilising well established and effective governance structures and processes to ensure delivery.

**We are both willing and able to deliver transformation.**



## Governance and Project Management

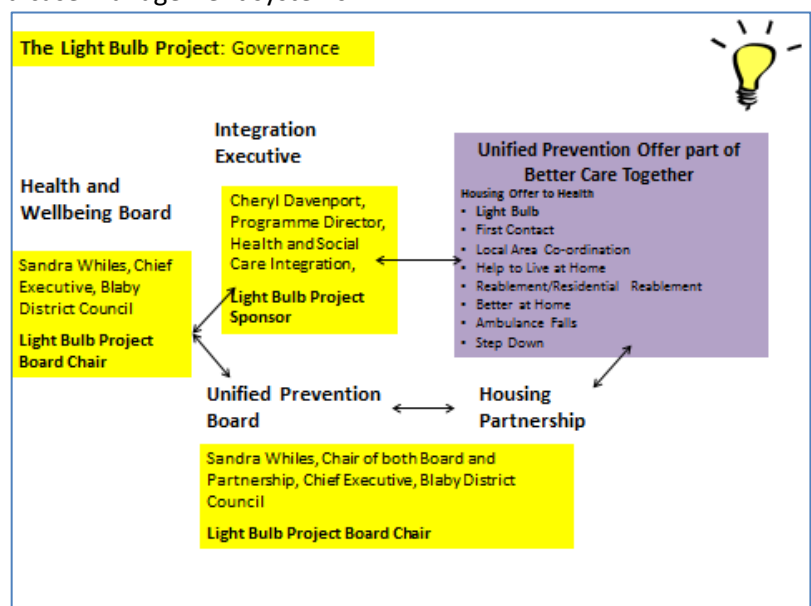
### Managing Partnership Risks

Our partnership approach in Leicestershire will be reflected in our management of all four DCLG Transformation bids from Leicestershire local authorities should they be successful. Building on our learning to date in developing these four bids we will establish a multi-agency alliance/steering group which will report to the Leicestershire Health and Social Care Integration Executive. It will provide a single point of reference to the DCLG and effective governance for all our projects as they are implemented. This will enable economies of scale through shared infrastructure arrangements where practicable for such matters as project and financial support, risk management and benefits realisation. It should also provide a useful learning forum.

Our strong partnerships and alliances in Leicestershire reflect our belief that we are most effective when we work collaboratively. We have significant experience and a shared history of delivering significant transformation by working in this way. Our Supporting Leicestershire Families programme posed many of the challenges that the Light Bulb will face and we have both corporate and partnership experience, established methodologies and a shared culture which can for overcoming many of these challenges<sup>15</sup>.

Our ability and experience in delivering successful early intervention and preventative approaches, based on a whole life, whole system approach can be brought to bear in these governance and reporting arrangements. In addition Leicestershire hosts the Centre of Excellence for Information Sharing, which will provide support for the information sharing implications across agencies, which is likely to be an issue which needs expertise when the Light Bulb develops its own customer and case management systems.

The diagram opposite illustrates the specific governance arrangements that the Light Bulb Project has been developed under. It's Project Board, chaired by Sandra Whiles, Chief Executive of Blaby District Council is also Co-Chair of the Prevention Board (with Mike Sandys, Leicestershire's Director of Public Health) which reports to Leicestershire's Health and Well Being Board. Cheryl Davenport, Project Sponsor and Director for Health and Care Integration at Leicestershire County Council, is responsible for the Better Care Fund which already reports to the Integration Executive, which is



<sup>15</sup> [Insert link to SLF Memorandum of Understanding](#)

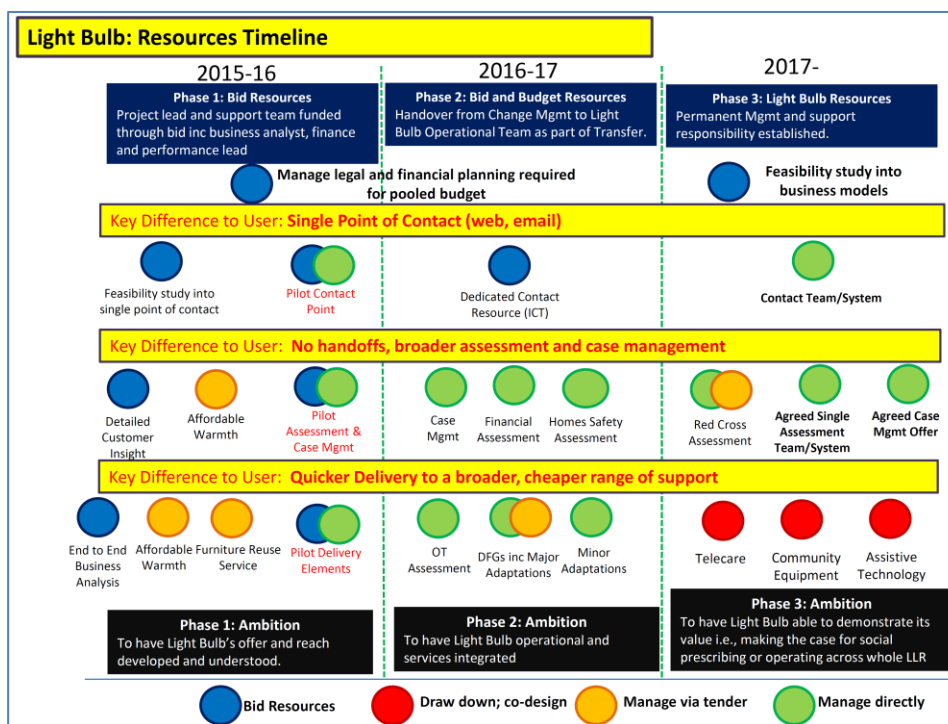
mentioned above. The membership of the Project Board covers the key stakeholders whose commitment and resources are vital to the successful implementation of the Light Bulb Project.

## Implementation and Managing Risk

The Light Bulb Project has four distinct phases which can be briefly summarised as:

1. establishing support and commitment;
2. refining the offer and managing risk;
3. becoming fully operational; and
4. expanding support and commitment.

These are mapped out in more detail here, specifically relating to the high level risks they are seeking to mitigate, and the diagram immediately below details when and what resources would be deployed by Light Bulb between 2015 and 2018.



### Risk 1: Managing the transfer of responsibility of the Disabled Facilities Grant (DFG) from local authorities to the Better Care Fund

#### Phase 1: 2014-15: Now – Secure resources and support

It could be argued that the momentum now behind the Light Bulb Project has been triggered by the transfer of DFG responsibilities to the Better Care Fund which exposed district local authorities to a risk of no longer being able to manage this resource. More fundamentally, it also exposed the wider health and social care economy to a significant risk because this potentially removed the incentive for district councils to maintain their DFG top-up element (see The Financial Case). This top up is regarded as vital for effectively managing demand and we anticipate would become even more vital if we wanted to stimulate more demand for housing based solutions through the Light Bulb Project.

The process of submitting this Transformation bid to the DCLG has helped galvanise cross-council support for the Light Bulb Project. Partners recognise the money secured through this process will be used to manage this risk and provide this assurance – legally, financially, operationally – for moving toward a new significant change and service redesign. The £1m we are asking for from the DCLG would effectively deliver the wider £8m pooled budget.

## **Risk 2: Not securing agreement for a pooled budget from all 8 local authorities**

### **Phase 2: 2015-16 – Developing the Offer, Preparing for Integration**

From April 2015 we would look to embark on two key concurrent activities to provide this assurance - further developing the service offer and risk managing the integration of the pooled budgets.

- **Developing the Service Offer** Primarily this would be done by committing up to £500,000 toward a pilot scheme run from Blaby but serving the whole of the County, funding for which would be split between the money secured from this bid and the money already secured from Leicestershire County Council (see the Financial Case). We would also use commissioning opportunities such as those provided by the Affordable Warmth Specification to support other elements of service development (see the Commercial Case). The DCLG funding would also fund further customer insight work as well as being deployed to identify sources for efficiencies from within the current bundle of services.
- **Preparing for Integration** - The DCLG Transformation would fund the management of the integration. Senior resource would be deployed to oversee the development of a viable action plan which secures a legal framework for the transfer of responsibilities resources and potentially staff from across all eight local authorities in readiness for 2016/17, when it is currently planned that the Light Bulb Project would be given the responsibility of discharging statutory DFG responsibilities.

This is a realistic timetable, giving us up to 15 months to undertake the necessary consultation with users, employees, stakeholders and partners and to allow Light Bulb staff to build sufficient business, legal and operational cases.

**Risk Mitigated: By April 2016, local authority stakeholders will be legally and financially assured and persuaded operationally to transfer existing resources to Light Bulb, including their existing DFG top up.**

## **Risk 3: Demand increases for housing support in excess of the capacity we have reintegrated and redesigned**

### **Phase 3 – 2016-18 Becoming fully operational, demonstrating Light Bulb's worth**

We want more people to receive housing support if we are to be able demonstrate effectively that by making a home comfortable, warm and safe, we reduce the demand on expensive health and social care settings . We know that we should expect more people to use Light Bulb (see The Economic Case).

An effective integration and redesign using current resources will have its limit in managing this potential increase in demand. We need to clearly demonstrate that the integrated and redesigned service that the Light Bulb Project has delivered has alleviated pressure on high cost A&E admissions. DCLG resources will help fund establishing an end to end process for understanding this value and giving it meaning, the basis of which already forms the bid and has helped build the economic case and helped identify the key performance indicators in this section. This will put us in a position by 2016-2017 to be able to confidently request from health partners that the part of the savings accredited to Light Bulb should be used to further build the capacity of Light Bulb.

**Risk Mitigated: By April 2018, all health, social care and housing stakeholders recognise and support the Light Bulb Project – politically, operationally, and financially.**

### **Expansion of the Light Bulb into the market or wider geographically**

**Phase 4: 2017-18** – Light Bulb, able to make a business, political, financial and operational case for its approach across the public sector in Leicestershire, now needs to consider whether it would be able to develop a similar case for the wider private sector and a wider geographic spread – perhaps one co-terminus with Leicester, Leicestershire and Rutland's health and social care economy. The change and project management resources funded by the DCLG would now apply a similar process to test the legal, financial and operational viability of either scenario.

**Ambition Achieved: the Light Bulb Model is considered viable for expansion into the market and/to a larger geography.**

## PART C: APPROVAL

Note: This bid is for the Transformation Challenge Award 2015-16 B.

**Approval:** Bid approved and signed off by Section 151 officer for each partner to the bid.

Name	<i>S.J. Pennell</i> S.J. PENNELL
Organisation	Blaby District Council
Date Approved	30.9.14.

Name	<i>Simon Jackson</i>
Organisation	Charnwood Borough Council
Date Approved	30 Sept 2014

Name	<i>S.C. Riley</i>
Organisation	Harborough District Council
Date Approved	29 <sup>th</sup> September 2014.

Name	<i>[Signature]</i>
Organisation	Hinckley and Bosworth Borough Council
Date Approved	29-09-14.

Name	<i>[Signature]</i> Chris Tambini
Organisation	Leicestershire County Council
Date Approved	30/9/2014

Name	<i>D K SARTON</i>
Organisation	Melton Borough District
Date Approved	29/9/14

Name	<i>[Signature]</i>
Organisation	North West Leicestershire District Council
Date Approved	30 September 2014

Date Approved

Name	<i>MARK HALL</i>
Organisation	Oadby and Wigston District Council
Date Approved	29 SEPTEMBER 2014

In Oadby and Wigston's case, the signature was provided by the Local Authority's Chief Executive as the delegated Section 151 Officer was not available.