



**ADULTS AND COMMUNITIES OVERVIEW AND SCRUTINY COMMITTEE**  
**4 MARCH 2024**

**REVIEW OF THE SOCIAL CARE INVESTMENT PROGRAMME (SCIP)**

**REPORT OF THE DIRECTOR OF ADULT SOCIAL SERVICES**

**Purpose of report**

- 1 The purpose of this report is to invite the Committee to comment on the findings and recommendations following a recent review of the Council's Social Care Investment Programme (SCIP). The report sets out how the outcome of the review will impact on the focus of the Programme going forward.

**Policy Framework and Previous Decisions**

- 2 On 16 October 2018, the Cabinet noted the development of a capital investment plan for adult social care accommodation-based support services and approved the publication of the Prior Intention Notice (PIN) to initiate engagement with the adult social care and investment market.
- 3 On 6 November 2018, the Committee was provided with an overview of the work being undertaken to develop a capital investment plan for adult social care accommodation-based support services and the potential implications.
- 4 On 11 March 2019, the Committee received an update on the findings of market engagement and on 10 June 2019 was provided with a detailed needs analysis to inform the Social Care Accommodation Development Plan and Investment Prospectus 2019-2037. This was approved by the Cabinet at its meeting on 25 June 2019.
- 5 On 22 October 2019, the Cabinet considered the 2019/2020 capital programme for SCIP:

*The recommendations relevant to the contents of this report which were made at the meeting are:*

- a) *That with regard to the purchase of assets to fulfil social care accommodation needs identified in the Social Care Accommodation Development Plan:*
  - i) *the process will be subject to the governance arrangements outlined in the report;*
  - ii) *the Director of Corporate Resources, in exercising his existing delegated powers to purchase property assets for operational purposes, will first consult with the relevant Chief Officer and Cabinet Lead Member(s);*
- 6 The SCIP aligns with the Ambitions and Strategy for the Adults and Communities Department 2020-2024, 'Delivering Wellbeing and Opportunity in Leicestershire'.

- 7 The SCIP contributes to the delivery of a number of outcomes in the Council's Strategic Plan 2022-2026. In particular, Safe and Well; Improved Opportunities; and Strong Economy, Infrastructure and Transport.

## **Background**

### The development of SCIP

- 8 The SCIP was established to support the implementation of the Social Care Accommodation Development Plan and Investment Prospectus 2019-2037 to increase the range of accommodation across the County for individuals receiving support from adult social care.
- 9 The SCIP aimed to facilitate capital investment in Leicestershire over the next 20 years into accommodation-based support, options including:
- Extra care, primarily for older people;
  - Supported living, primarily for working age adults with additional support needs, for example learning disability, mental health support or physical disability including acquired brain injury;
  - Residential care for older adults;
  - Residential care for working age adults with complex needs.
- 10 A Programme Board was established, jointly chaired by the Directors of Adults and Communities and Corporate Resources, and includes representatives from Adults and Communities, Corporate Finance, Property Services and the Growth Team.
- 11 A Strategic Landlord, Nottingham Community Housing Association (NHCA), was commissioned to help manage the nine developments delivered by SCIP, five in Charnwood, one in North West Leicestershire, one in Harborough and two in Hinckley and Bosworth. Seven of the nine developments were funded by the County Council at a total cost of £7m.
- 12 During the Covid-19 pandemic, there were a number of factors which impacted the SCIP's delivery of new build accommodation, primarily around the issues within the construction industry (materials/costs) and availability of properties.
- 13 Rising inflation and significantly increased costs for construction impacted on the SCIP's ability to deliver some of its flagship developments. The initial estimates to build a Specialist Dementia Facility increased from £5.5m when it was proposed in 2019, to approaching £9.5m when a full design was costed in 2022.
- 14 Due to this changing economic environment, the SCIP Board reviewed how the Programme had performed in its first three years and the best approach for its future direction.

### **Initial review of SCIP**

- 15 In October 2022, the SCIP Board commissioned a light touch initial review of the Programme. This was undertaken by Council's Growth Team and focused on:
- The Programme aims and objectives;

- Progress in meeting the original aims;
  - How the Programme has been managed.
- 16 The key findings of the initial review were reported to the SCIP Board in February 2023 as follows:
- a) The level of demand has increased and a programme such as SCIP is still required to address the growing costs of providing accommodation;
  - b) The SCIP was intended to be focused on a whole system approach to addressing the challenge but has focused only on the Council's role;
  - c) The Business Case and Prospectus no longer reflect current conditions (market, increased costs) and underlying financial assumptions require review;
  - d) Lack of clarity on the purpose, objectives and outcomes of the programme exist across the Council;
  - e) The level of original ambition is not reflected in progress and delivery;
  - f) The Board management and governance requires reviewing in relation to roles and responsibilities.
  - g) A stronger assurance of SCIP is required to ensure it accurately reflects the Council's wider social care provision strategy.
- 17 Building on this initial analysis a full review of the SCIP was agreed by the SCIP Board in February 2023 and the Council's Transformation Unit was tasked with delivering this. In May 2023, the findings of the more detailed review were presented to the Board.

### **Findings from the full review**

- 18 The full evaluation of SCIP considered the findings of the initial review and used these to frame the detailed review based around the following key themes:
- The SCIP's core focus and objectives;
  - The Prospectus and information given to providers;
  - Staffing and resources;
  - Strategic focus within Adults and Communities;
  - Programme Governance;
  - Partnership working.
- 19 The key recommendation of the review was that, with changes in the wider economic environment, leading to increasing capital costs to build developments and the pressures on the Council's capital budget, the focus was best placed in shifting the overall programme from direct capital investment in schemes to market shaping and 'inward investment'/development, with providers taking the lead in creating the infrastructure for new schemes.
- 20 Other recommendations in the report included:
- a) A renewed programme vision be established to reflect the focus on market shaping and following this, a review of the team structure to ensure that it is fit for purpose and meets the refocus of the programme.
  - b) The SCIP Board governance be updated to reflect the renewed focus.
  - c) An accommodation provision plan for the Department be developed to support the SCIP's workplan and activity.

- d) That a best practice review of capital investment in adult social care schemes, as undertaken by other County Councils, be commissioned from an external consultant.
- e) Improved programme management be implemented, and documentation finalised for sign off by the Board.
- f) Development of performance metrics be progressed to show the impact of the SCIP, in particular against the Programme's revised objectives, a clear set of deliverables and the Department's revenue budgets.

21 The review also noted the achievements of the SCIP to date, which included:

- The delivery of nine schemes supporting 78 individual placements (April 2023).
- Savings of over £480,000 per annum in care packages.
- Working with providers at an early stage to influence the design of their properties.
- The investment prospectus, when launched, was well regarded by providers and stakeholders.
- Mandatory training for Care Pathway staff developed to help them understand the advantages of supported living and extra care as alternatives to more restrictive options.
- Better outcomes and quality of life for those accessing the new placements.
- Relationships built with district and borough councils to increase their understanding of the work of the SCIP and how local plans can support this.

22 The SCIP Board agreed with the recommendations of the full review.

### **External review and final recommendations**

- 23 Following the review a confirmation, challenge and identification of examples of best practice consultancy work was undertaken by a former Executive Director of Health, Housing, and Adult Social Care, Neil Revely, who has extensive experience in Housing, being the Chair of the Association of Directors of Adult Social Services (ADASS) Housing Policy Network and ADASS Housing Lead.
- 24 Neil Revely presented his review and final recommendations to the SCIP Board in October 2023, attached as an Appendix to this report. He agreed with the findings and recommendations of the full review, particularly regarding the future focus of the SCIP. He felt that focus on a strategic commissioning/market shaping/inward investment approach was in keeping with best practice, and consistent with upper tier local authorities who are successfully delivering extensive extra care and supported housing programmes. Neil stated that *"the purpose of SCIP moving forward should be to deliver on the vision to see the development of the required housing options to cater for the range of needs of older and disabled citizens in Leicestershire"*.
- 25 From his analysis of best practice from elsewhere, a greater emphasis was placed in Neil's report on the need for strategic ownership of the work of the SCIP by the leadership of the Council. He emphasised that senior Elected Members and the Corporate Management Team should be in agreement with, and support the aspirations of the SCIP. He also felt that despite the proposed national Housing Transformation Fund not being funded, more formal mechanisms to involve and further engage with districts and boroughs councils should be put in place, with the SCIP building up its work with local partners to have a more formal link and influence

into the development of Local Plans. The report uses, as an example of good practice, the partnership which Essex County Council has established with local partners to provide senior leadership to drive a holistic approach to independent living and supported housing.

- 26 The majority of the statements in the prospectus very much align with a 'strategic commissioning' (or inward investment) approach and in Neil's opinion, in relation to the Extra Care ambitions, additional provision could only be achieved using that approach. He also stated as found in the initial review in his report that the SCIP was intended to be focused on a whole system approach to addressing the challenge, but more recently has focused only on the Council's direct role, whereas the Council's role ought to be seen as stimulating the wider whole system approach. Neil commented that progress has been made on the supported housing element of the Programme which is of great importance (and complex in its own right), but this work has likely used all available resources in the team, detracting from the area that would have had the biggest impact, that of older peoples' independent living and Extra Care Housing.
- 27 Neil considered that the underlying principle/premise of the business case for the SCIP remains as, whilst build costs have increased, so has the cost of residential care placements, therefore the principle of invest to save still stands. Neil commented that 'pay back' periods could be longer to make investments more financially viable and linked to Housing Provider practice.
- 28 Other key recommendations from the report were:
- The need to support capital investment/land asset values for developers' capital investment (this can take the form of land provision);
  - The business cases to support capital investment undertaken by other councils have consistently demonstrated good returns on investment by virtue of significant revenue efficiencies (both predicted and realised);
  - The proposed purpose and focus of the SCIP Board moving forward should be to provide leadership for the vision/ambition, set and agree the strategic programme for the SCIP and support, drive, and monitor its delivery;
  - That, via the case studies, to emphasise how leadership, partnerships and relationships were key to a successful programme.

### **Next steps**

- 29 At the November 2023 SCIP Board, the Transformation Unit presented the final report regarding the SCIP review. The report set out the vision, objectives and purpose of the SCIP going forward.
- 30 The Board formally approved that the revised focus of the SCIP should be on inward investment/market shaping rather than directly funding and building developments. The Board also agreed that based upon the external evaluation, the purpose of the SCIP moving forward should be:
- To deliver on the vision to see the development of the required housing options, to meet the range of needs of older and disabled people in Leicestershire;
  - The managing and shaping of the accommodation market and securing investment by providers and developers in housing that meets the needs of older

and disabled people in Leicestershire, To work with district and borough councils, to support and influence Housing and Planning Strategies;

- The management of an online prospectus, and ensuring that developers have the detail required to help influence investment decisions, understanding key client areas and need, such as ensuring Extra Care caters for those with more complex needs);
- Developing business cases (with Housing Partners) when land/capital is required.

31 The report also set out the operational next steps for the SCIP, which are currently being implemented, and suggested that in order to better focus the work of the SCIP Team, three workstreams are established to take forward the findings from the review and recommendations:

- Activity to support the SCIP delivery/Programme Management;
- Managing the market and scheme onboarding;
- Developing a partnership approach to Housing and Care.

32 Improved reporting to the SCIP Board and monitoring of programmes will be delivered through this workstream approach.

33 Separately, a review of the leadership and structure will be progressed to deliver the Programme's new focus and more robust programme management by the Departmental Management Team.

34 The SCIP Team is developing a programme plan to set out how it will deliver the revised vision of the SCIP and the re-focus of the Programme to market shaping.

35 It should be noted that the work of the SCIP Team continues to deliver placements in supported living and extra care developments, and to ensure that the properties which have already been developed are maintained and occupied. The team also works to ensure that supported living is accessible to those eligible by utilising the wider provider market.

36 There are nine schemes in the pipeline to be completed by end of 2025 with the aim to deliver a total of 70 units in 2024 and 25 units in 2025.

### **Resource Implications**

37 The current SCIP Team consists of 4.2 FTE posts and has staffing budget of £276k including oncosts.

38 The SCIP has a capital allocation of £2.8m remaining, which is purposed to purchase and develop properties to meet the needs identified within the Social Care Accommodation Development Plan, which was approved by the Cabinet on 25 June 2019, and which are subject to business cases.

39 The Director of Corporate Resources and the Director of Law and Governance have been consulted on the content of this report.

## **Conclusions**

- 40 The SCIP has achieved some positive outcomes over the past three years providing nine new schemes and places for 78 individuals. Changes in the wider economic environment, the financial position of the Council and learning from best practice elsewhere has led to the conclusion that the SCIP should focus less on the direct provision of accommodation to more of a strategic commissioning/inward investment role, particularly for extra care provision.
- 41 The key recommendation from the review is that the SCIP should re-focus its work from looking at working with a Strategic Landlord to directly fund and develop properties in order to provide more stock of supported accommodation, and to taking a more strategic commissioning approach to encourage more care providers to invest themselves in provision within Leicestershire.

## **Recommendation**

- 42 The Committee is invited to comment on the findings of the review of the programme and the future focus of SCIP.

## **Background papers**

Report to the Cabinet: 16 October 2018 – Capital Investment into Adult Social Care Accommodation Based Support Services

<https://democracy.leics.gov.uk/ieListDocuments.aspx?MId=5184>

Report to the Adults and Communities Overview and Scrutiny Committee: 6 November 2018 - Capital Investment into the Adult Social Care Accommodation Based Support Services

<https://democracy.leics.gov.uk/ieListDocuments.aspx?MId=5358>

Report to the Adults and Communities Overview and Scrutiny Committee: 11 March 2019 - Capital Investment into the Adult Social Care Accommodation Based Support Services

<https://democracy.leics.gov.uk/ieListDocuments.aspx?MId=5687>

Report to the Adults and Communities Overview and Scrutiny Committee: 10 June 2019 – Capital Investment into the Adult Social Care Accommodation Based Support Services

<https://democracy.leics.gov.uk/ieListDocuments.aspx?MId=5688>

Report to the Cabinet: 25 June 2019 - Capital Investment into Social Care Accommodation Based Support Services

<https://democracy.leics.gov.uk/ieListDocuments.aspx?MId=5604>

Report to the Cabinet: 22 October 2019 – Request for an Addition to the 2019/20 Capital Programme for the Social Care Accommodation Development Plan

<https://democracy.leics.gov.uk/ieListDocuments.aspx?MId=5606>

Delivering Wellbeing and opportunity in Leicestershire – Adults and Communities Department Ambitions and Strategy for 2020-24

<https://resources.leicestershire.gov.uk/sites/resource/files/field/pdf/2020/9/30/Vision-and-Strategy-for-Adults-and-Communities-Department-2020-2024.pdf>

Leicestershire County Council Strategic Plan 2022-26

<https://www.leicestershire.gov.uk/about-the-council/council-plans/the-strategic-plan>

### **Circulation under the Local Issues Alert Procedure**

43 None.

### **Equality Implications**

44 As this report focuses on how the SCIP will operate going forward and does not impact on the quality of services provided, there are no equality implications arising from the recommendations in this report.

### **Human Rights Implications**

45 There are no human rights implications arising from the recommendations in this report.

### **Environmental Implications**

46 The environmental and sustainability requirements for housing developments are contained within the 2022 Building Regulations, these will be replaced by the Future Homes Standard in 2025.

### **Appendix**

SCIP Vision, Structure and Headline Short Term Plan – November 2023

### **Officer(s) to Contact**

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