

SOUTHWARK CIRCLE: A BRIEF UPDATE

Report of the Health and Adult Care
Scrutiny Sub-Committee

March 2010



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1. Introduction and background

- 1.1 In June 2009 the council launched Southwark Circle - a membership organisation for older people, providing both help with practical tasks and a social network that aims to increase opportunities for local residents to build up their own informal support networks.
- 1.2 The council's arrangements to establish Southwark Circle were subject to call-in by the overview and scrutiny committee (OSC) on 18 and 20 May 2009, when some members challenged whether the allocation of £1m in grant funding to finance the project for the first three years was an appropriate and proportionate use of the financial risk reserve. OSC members also raised concerns about issues such as the use of due consultation; the level of clarity regarding the project's aims and desired outcomes; and how the expected savings would be achieved according to the project's "invest to save" principle.
- 1.3 The call-in outcome was that OSC agreed to refer the decision back to the executive member for health and adult care, with the following requests:
 - a. That an accurate budget account is produced with predicted growth figures;
 - b. That clear and robust performance outcomes and targets are developed for monitoring the performance of Southwark Circle, with the provision to terminate the funding agreement should the steering group consider that Southwark Circle is falling short of the agreed targets;
 - c. That the Memorandum and Articles of Association for the Community Interest Company be amended to ensure that at the end of the three year agreement any surplus money is reinvested into other Southwark communities.
- 1.4 In view of the time pressure to reach this call-in conclusion and the large sum of money involved in the original decision, some members felt that their referral back to the executive member involved a leap of faith and harboured lingering reservations about the project legitimising such a considerable draw down of the council's reserve budget.
- 1.5 As the remit of our sub-committee includes adult care issues, we requested an update on the project at our 20 January 2010 meeting, just over six months after its inception.
- 1.6 The update was provided by the council's interim assistant director of health and community services and the Southwark Circle managing director. (The written update is attached as an appendix to this report.)

2. Key Evidence Considered

Performance monitoring

- 2.1 Daniel Dickens, managing director at Southwark Circle, outlined how the programme has started well, in particular regarding membership growth and the number of requested services. Targets set in June had been achieved early: 100 members had joined by 1 December 2009, for example, when the aim was to reach this figure by the end of 2009.
- 2.2 Mr Dickens also identified an emerging pattern that people are initially joining Southwark Circle with the view to obtain help with an immediate practical need, and are subsequently discovering the benefit of other aspects of the project, in particular the social events and opportunities to share their own skills. He illustrated several examples for us while the sub-committee was in closed session (requesting that these personal experiences remain confidential.)
- 2.3 The sub-committee also heard that Southwark Circle's performance in relation to the contract requirements and performance targets is monitored by a steering group that meets quarterly and is chaired by the council's chief executive.
- 2.4 Members raised questions about who sits on the steering group and how the level of involvement in the project is monitored. We learnt that the steering group comprises as follows: Annie Shepherd, Southwark's chief executive; Edwina Morris, the council's interim assistant director of health and community services; Tom Branton, a council project manager; Hilary Cottam, from Participle; Hugo Manassei, Southwark Circle board member and Participle director; Daniel Dickens, Southwark Circle managing director.
- 2.5 Following further queries it was confirmed that that currently no Southwark Circle participants are invited to attend the steering group, as the focus of the group is to ensure that the project is achieving good value for the money invested. Several sub-committee members suggested, however, that the inclusion of project users on the steering group could be vital and valuable, both in terms of providing due place for service user representation and in helping to achieve the value for money objective.

Project Promotion

- 2.6 Members were similarly interested to learn more about how the project is being promoted, and in particular whether Southwark Circle is being presented to members of the public at community council (CC) meetings. Mr Dickens responded that a first presentation to a CC would be made the next day at the Borough and Bankside CC meeting. Our chair, Councillor Zuleta, explained that, as she had not seen any activity of the project in her part of the borough, she had invited Southwark Circle to present an item at that meeting. She acknowledged that the project had deliberately been started in one neighbourhood with the intention of expanding outwards but explained that, because there had been a measure of reservation about the project achieving value for money, she would anticipate that other councillors would

be looking for evidence that members of their constituency communities were having access to this opportunity.

- 2.7 Responding to a question about when the project will be expanded, Mr Dickens stated that anyone in any part of the borough is currently welcome to join, and listed the various ways in which they could contact Southwark Circle staff to do so. He added that activity was concentrated on Camberwell and Peckham at the moment, as the project tends to grow organically; because it has the aim to increase community cohesion; and as staff are working to establish an understanding of what type of services will be most requested in different areas of the borough. He also outlined other means used to raise the project's visibility, including a stand at the Camberwell Christmas market and Surrey Quays shopping centre, and emphasised that he would be pleased to promote Southwark Circle at Community Councils.
- 2.8 Mr Dickens also made clear that Southwark Circle does not stipulate any required age on its promotional material, and that while membership is aimed for Southwark residents over 50, one current member is 47 years old.
- 2.9 It was also reported that Southwark Circle staff do not monitor other personal information, such as participants' ethnicity, as strictly as this is often carried out with other council programmes. This is in order to support a sense of informality and prevent a form of institutionalising the programme, which could make it less attractive to some residents. Members recognised the merits of this approach and supported the level of informality.

Recording realistic proxy values

- 2.10 During the 18 May 2009 call-in meeting, OSC members acknowledged the positive aim of Southwark Circle, but observed that it was not possible at that stage to determine likely savings. It was therefore suggested, as referenced in the OSC decision above, that it would be helpful for the council to start considering what information could be gathered regarding performance in order to inform and support future decisions. If a long-term aim from funding Southwark Circle was a saving on health care, for example, then appropriate data would be requisite to support this.
- 2.11 At the May 2009 meeting, the strategic director of health and community services stated that it was difficult to assess the impact of preventative work. She agreed, however, that a suitable method would be necessary to gather useful information about the project's achievements and that she would report back to OSC on how outcomes and savings could begin to be assessed.
- 2.12 As highlighted above, OSC members underscored the importance of this issue by requesting from the executive member for health and adult services that "clear and robust performance outcomes and targets are developed for monitoring the performance of Southwark Circle, with the provision to terminate the funding agreement should the steering group consider that Southwark Circle is falling short of the agreed targets."
- 2.13 At the 20 January 2010 update, we were particularly interested therefore to query how much money the project had so far saved. The assistant director stated that it was still early to say; that over time it was hoped that people would approach the council for social care at a later stage than is currently

typical, and that some people who have stopped receiving care due to the change in adult care eligibility criteria have joined Southwark Circle.

- 2.14 While we accept this reasoning, we remain concerned that insufficient data is being recorded for this purpose and suggest that records be kept of equivalent costs for the services that participants purchase through the project, as this would provide one way of calculating savings. We believe that this should be feasible both for services that are overtly practical with and that have an equivalent commercial value, as well as for services that are more akin to social care support.
- 2.15 After discussing the factors outlined above, we highlighted again the innovation and promise of the Southwark Circle project and agreed that it has the potential to achieve considerable benefits for many Southwark residents. As outlined, however, we also consider it critical that this project demonstrates good value for money and, with this as the foremost concern, make the following recommendations:

Recommendations:

1. That it be noted that the members of the health and adult care scrutiny sub-committee welcome the Southwark Circle project and particularly favour aspects such as its level of informality; its comparative absence of bureaucracy; and its organic approach for development;
2. That membership of the Southwark Circle steering group be expanded to include active Southwark Circle members;
3. That more targeted work be carried out, such as the promotion of the project at community councils, with the aim to involve more people from other parts of the borough;
4. That a simple method be devised for logging a realistic proxy value or average equivalent commercial charge for each service delivered within the Southwark Circle scheme; with the view to measure what savings are being achieved; and
5. That Southwark Circle be requested to provide further updates either to the overview and scrutiny committee or to the health and adult care scrutiny sub-committee on a six monthly basis, in order to monitor whether the project's performance targets continue to be achieved and the extent to which recommendations 2 to 4 above have been implemented.

Health and Adult Care Scrutiny Sub-Committee (as present on 20 January 2010)

Councillor Lorraine Zuleta (Chair)
Councillor Dora Dixon-Fyle (Vice-chair)
Councillor Jonathan Mitchell
Councillor Abdul Mohammed (Reserve 20 January 2010)
Councillor Wilma Nelson (Reserve 20 January 2010)

APPENDIX

Extract of information pertaining to the development of Southwark Circle, from the following report:

Item No.	Classification: Open	Date: 20 January 2010	Meeting Name: Health and Adult Care Scrutiny Sub-Committee
Report title:		Response to Scrutiny questions on Personalisation and the development of Southwark Circle.	
Ward(s) or groups affected:		All	
From:		Strategic Director of Health and Community Services	

Southwark Circle

16. Southwark Circle is a membership organisation that provides on-demand help with life's practical tasks through local, reliable Neighbourhood Helpers, and a social network for teaching, learning and sharing. Membership is open all Southwark residents over the age of 50.
17. Southwark Circle has grown ahead of membership targets during its first two quarters of operation. The target of 100 members was reached before December 2009, one month ahead of projections. Membership has continued to grow at an increasing rate thanks to a high-visibility Christmas gift marketing campaign ("No More Socks") and currently stands at approximately 120 members and 55 helpers. Members are representative of the full ethnic and economic diversity of the borough. More detailed age, gender, geographical and ethnicity information is available in Appendix 1 and details of the No More Socks campaign is contained in Appendix 2.
18. Most helpers are paid for the work that they do, with the pay rate set at the London Living Wage. Helpers register with Southwark Circle, identifying their skills and abilities and, following receipt of a satisfactory Criminal Records Bureau check, are matched by Southwark Circle to members' requests for help. Helpers carry out a wide variety of practical tasks. Appendix 1, which shows the categories and volume of tasks undertaken month by month since the launch of the service.
19. Daniel Dickens, from Southwark Circle, will be in attendance at the Scrutiny meeting and will be able to show members photographs of Southwark Circle activities and give some verbal case examples of the experiences of members and helpers. The Southwark Circle website includes two short videos explaining the concepts of "Member" and "Helper", and featuring actual members and helpers. This can be viewed on the following links:
20. <http://www.southwarkcircle.org.uk/member.htm>
<http://www.southwarkcircle.org.uk/helper.htm>

21. The financial arrangements between the Council and Southwark Circle include start up funding of £250,000 following by quarterly payments of £62,500. The following table summarises Southwark Circle expenditure to date:

	<i>Funding Allocation</i>	Actual and Committed Spend (up to Dec 2009)	Committed Spend Q3 (Dec-March)	Total Spend of Allocation	Under spend (contingency fund received formal approval to be carried forward)
<i>Launch Funds</i>	£250,000	£191,125	£33,875	£225,000	£25,000
<i>Q1 June-Sept 09</i>	£62,500	£55,109	n/a	£55,109	£7,391
<i>Q2 Oct-Dec 09</i>	£62,500	£57,745	n/a	£57,745	£4,755
<i>Total</i>	£375,000	£303,979	£33,875	£337,854	£37,146

Running costs for each quarter of operations have been in line with projections and launch funding has been allocated according to the project budget. Project teams have negotiated discounts whenever possible and have followed an iterative development process for IT projects so as to achieve the best outcome for the least money. The remaining funding (under spend) is primarily composed of the 'contingency fund' that was approved as part of the initial funding. As with any under spend, this requires formal approval during steering group meetings to be carried forward.

21. Southwark Circle has provided more detailed information from its Christmas campaign "No More Socks" that provides an example of co-production by members and Circle staff and a positive message for Southwark residents and families. Please see Appendix 2.

POLICY IMPLICATIONS

22. The national policy direction for implementation of personalisation was set out by the Department of Health in policy documents including "Putting People First", December 2007, and two Local Authority Circulars titled "Transforming Adult Social Care" in January 2008 and March 2009. The policy implications have been summarised in paragraph 3 above.

COMMUNITY IMPACT STATEMENT

23. The work plan of the Personalisation Programme Board includes the completion of an Equality Impact Assessment of the implications of moving to a system of self directed support and personal budgets to ensure that the new system does not discriminate against any members of the local community.

24. The Southwark Circle Steering Group will continue to monitor the membership of the organisation as it grows to ensure that the methods of operation continue to provide opportunities for all members of the community to participate.