Overview


The report highlights weaknesses in the delivery structure – including a lack of available information to monitor outcomes and costs; little visible local leadership; an underestimation of the costs of the strategy by government and a gap in identifying the additional efficiency savings required; and patchy joint working between health and social care.

Dementia services have not, according to previous NAO analysis, been providing value for money. There is a danger that unless the concerns raised in the report are not urgently addressed by government, they will continue not to be cost effective. Given the future growth in the need for these services this could be disastrous for people with dementia and their carers.

The report says that achieving transformation in the proposed five years will be very challenging. Changes at a local level are taking place slowly because local leadership on the issue has still to be developed and there is no formal performance monitoring of progress built into the system. There are examples of excellent practice which need to be adopted across the country but the conditions are not in place yet for this to occur.

This briefing summarizes and comments on the key points made in the report.

**Briefing in full**

The National Audit Office in 2007 concluded that dementia services in England were not providing value for money to taxpayers or people with dementia and their families: spending was often late; too few people were being diagnosed; or the diagnosis was not early enough. Cost effective early intervention was not widely available and health and social care services were often disjointed, of poor quality and wasteful. The Public Accounts Committee (PAC) reported in January 2008 that the Department of Health (DH) had not given dementia the same priority as cancer and coronary heart disease, and dementia had not therefore had the same focus for improvement. It also highlighted weaknesses such as unnecessary admissions to hospital and too long lengths of stay.

The costs of dementia care is predicted to double by 2026 from the £10.1 billion spent in 2009, the majority of which is for care home provision.

Following this report, the DH identified dementia as a priority and published *Living Well with Dementia* in February 2009. with a brief implementation - a more detailed implementation plan was published in July 2009.

The NAO report assesses the DH’s response to the committee’s recommendations and the robustness of its strategy and implementation plan. Given the short period since publication of...
the strategy, the NAO did not expect to see changes at the frontline and therefore did not audit the services themselves: instead it evaluates the machinery in place to implement the strategy, including the levers for change.

Improving dementia services in England does include recommendations – these are largely directed at the Department of Health and focus on the key risk areas where they consider action is urgently needed to increase ‘the pace and completeness of the transformational change set out in the strategy’.

The development of the strategy, its costs and benefits

The assessment by the NAO used the Cabinet Office’s Capability Review framework, which covers Strategy, Leadership and Delivery, as the basis for its examination and to identify the risks that need to be addressed if the strategy is to be implemented successfully.

The report describes the strategy and calls it ambitious and comprehensive and says that it addresses the majority of the PAC’s recommendations.

Although the strategy is evidence-based, the report states that there are still no comprehensive local data on the current costs of dementia services.

The DH’s estimate of the costs of implementing the strategy – at £1.889 billion over ten years – is not firm: it does not include all potential costs. The data takes into account estimates of the increase in the prevalence of dementia, but there is only limited consideration of the effect on future costs of, for example, changing family structures or increasing expectations. There is no estimate of the cost of training NHS and social care staff, and as well, the 2009 National Framework for Continuing Care and recent legal judgements are likely to mean more people with dementia receiving NHS-funded care. The Department will produce an updated Impact Assessment in 2010.

The DH has been clear that the strategy is to be funded largely through efficiency savings – the impact assessment identified annual savings of £130 million from 2013-14, based on delaying entry to care homes through early diagnosis and intervention. Over the ten years, therefore, implementation costs of around £1.356 billion will still need to be met from other efficiency savings. The NAO says that their case studies suggest further efficiency savings of at least £284 million a year could be identified now. They warn, however, that this is dependent on “widespread adoption of good practice and being able to release funding from the acute sector to other health and social care settings, which have historically been difficult to achieve”.

Leadership, roles and responsibilities

The Capability Model’s criteria for effective leadership are to set clear direction, ignite passion, pace and drive, and take responsibility for delivery and change.

The NAO found strong direction and national leadership for the strategy provided by the Director General for Social Care. The Department did not succeed in recruiting a National Clinical Director for Older People and Dementia in June 2009, but in October it started the recruitment for separate directors for older people and dementia. Since the NAO report was published, the government has announced that they have appointed Professor Alistair Burns as National Clinical Director for Dementia and Professor David Oliver as National Clinical Director for Older People.

Regional leadership rests with nine newly appointed Deputy Regional Directors of Social Care. They have started to establish regional dementia boards – using existing Joint Improvement Partnerships to bring together council and health leaders.
Effective local leadership is crucial for delivering transformational change and is a fundamental element of the DH’s performance management model, but the NAO found visible local leadership and ownership for improving dementia has still to be put in place. By Summer 2009, only 21 per cent of consultant old-age psychiatrists said a senior clinician had taken the lead on dementia in their acute hospital; few frontline health or social care staff could identify leaders who were championing dementia. GPs are becoming more positive about diagnosing early, but “there is still much for local leaders to do to “ignite passion, pace and drive” for transforming dementia care”.

**Building workforce capacity**

The NAO found a lack of progress here. In 2007 the PAC expressed concern at the lack of dementia training in social care, high staff turnover, low morale and vacancies; the All Party Parliamentary Group on dementia identified the same problems in 2009.

Dementia training is currently not part of the common induction standards for staff in adult social care. The programme of social care staff registration has been delayed, which will impact on the identification of training needs. There is no required basic training in how to understand and support people with dementia despite almost every health professional coming into contact with patients with dementia.

The report does, however, identify some examples of good practice.

**Cost-effective delivery of the strategy**

The Capability Model’s criteria for effective delivery emphasise the need to: plan, prioritise and resource accordingly; develop clear responsibilities and delivery models; and strong performance management.

The detailed Implementation Plan published in July 2009 sets out specific actions, and indicative dates. The DH has put in place some of the groundwork to help organisations improve services – it announced demonstrator sites for piloting the dementia adviser role and peer support networks and produced guidance for local commissioners. At local level, most primary care trusts and local authorities were awaiting guidance from the Department before beginning their baseline reviews of dementia needs and services and began work in late summer 2009. The Department expects the baseline service reviews to be available in March 2010, and is also commissioning a baseline audit of dementia, which will include data on costs.

PCTs have been given additional funding to support the implementation of the strategy. In line with the devolved NHS management model, this funding is not ring-fenced - PCTs locally decide how to spend the allocations. There has been no monitoring of the funding, and with the baseline reviews not done until March 2010 and the audit of costs in the process of being commissioned by the Department, the level of funding that primary care trusts have allocated dementia is unclear.

There has been no additional financial provision made for local authorities in the expenditure plans for 2009-10 and 2010-11 for implementing the strategy and no ring-fenced grants.

In 2007, the NAO identified the lack of joined-up health and social care planning and delivery as a barrier to improvements in dementia. The report says that joined-up working remains very patchy and as a result people with dementia are still being unnecessarily admitted to hospital, have longer lengths of stay and enter residential care prematurely. Whilst they found examples of good practice, these are not being adopted widely. The report gives examples of how they believe more joined up planning and service delivery can improve dementia care.
Many people with dementia spend some time in a care home and many end their life in one and demand for “dementia care beds” is growing. The report says that the strategy identifies the need for improved quality of care in care homes, but the NAO found that smaller providers lack the management and leadership skills to respond. Local care home managers lacked awareness of the strategy and did not have a “co-production” relationship with local commissioners. Only two Strategic Health Authorities were actively working with the care homes sector.

Managing, monitoring and leveraging performance

In July 2008, the NHS Next Stage Review – High Quality Care for All, set out a new NHS management model, with leverage for improving services expected to come from: the use of contractual quality drivers by primary care trusts who commission services; publication of comprehensive performance information; regulation; and a drive for innovation.

However, the report says that the first phase of the strategy’s implementation comes at a time when the system-based levers envisaged in High Quality Care for All are not yet mature. In particular, commissioning for quality is at a very early stage of development; and the self-assessment metrics for measuring progress on dementia are not yet finalised, and when they are, it is unclear whether they will be mandatory or how long it will take to establish quality data;

Councils have no specific performance requirement for improving dementia care. The NAO consider that the opportunities for joint funding and accountability that have risen through local area agreements have not yet delivered results.

The Care Quality Commission’s new regulatory system will focus on outcomes and the experiences and rights of those receiving care and this could be powerful if they include specifically what is expected for good dementia care.

The report says that there is some evidence of innovation being used to transform dementia care, but “this is very localised and has not been evaluated, disseminated, or widely adopted”.

Conclusion on value for money

Providing care for people with dementia costs the NHS and social care services around £8.2 billion a year and rising. The Committee welcomed the commitment by the government to making dementia a national priority. However, the NAO report says that “the Department has not yet matched this commitment with a robust approach to implementation, which aligns leadership, funding, incentives and information”.

The NAO believes that the fact that dementia does not feature in the set of “national priorities” against which local organisations’ performance is monitored and managed by the Department is important: primary care trusts do not see it as a “must do”. In the absence of this steer, “improvements could still be driven by effective local leadership, joined-up commissioning with quality incentives, and comprehensive performance information, but these are not yet in place”.

Delivering the Strategy is dependent on releasing around £1.8 billion of savings from the acute hospital and long-term care sectors, to fund earlier intervention and care in the community and help people live well with dementia. The NAO are sceptical that this will be delivered without the necessary leverage, and in a time of financial constraint – “actually releasing or re-directing resources from secondary to primary care, or from NHS to social care, is likely to be difficult to achieve in the short to medium term”.

The conclusion is clear:
“Overall we conclude that improving services and support for people with dementia lacks the urgency and priority that the Committee had been led to expect, and there is a strong risk that value for money will not be significantly improved within the Strategy’s five-year implementation timetable.”

Comment

The NAO report is largely critical about the progress made so far in implementing the dementia strategy. There is a caveat: their research took place only months after the strategy was published. However, it does raise concerns that clearly demand attention from the government.

There are weaknesses in the implementation plans that may not be sorted out just by giving the plans more time. The lack of clarity over the potential costs of the strategy is worrying – with the NAO saying that ministers have underestimated the costs, with little work done so far on current expenditure and benefits. The lack of information on how PCTs are allocating their additional resources is also of concern: even if we accept that it is right to allow PCTs to determine their own priorities, the funding was specifically for implementing the strategy and there needs to be both monitoring of where it is going and its effectiveness.

The gap in the funding to implement the strategy is highlighted by the report. Although the NAO says that it can identify where further efficiency savings could come from, it is clear that it is sceptical that the conditions are right for this to happen. If the strategy does cost more than envisaged and efficiency savings are not delivered, there are huge risks for future dementia care, and this is, of course, exacerbated by the current public spending crisis.

Another key area of concern is the lack of progress in training. The £1.9 billion dementia strategy budget covers diagnosis and early intervention in people’s homes, but the NAO report points out that no estimate has been given for the cost of the pledges that the strategy makes for the training of NHS and social care staff.

The report highlights the patchy nature of joint working between health and social care. It also shows how integrated working can transform the quality of care and cut costs. This must be a priority area for PCTs, councils and the Department of Health. It is disappointing that local authorities did not receive any additional funding to implement the strategy despite their key commissioning role.

The continuing problems were graphically exposed in November 2009 when it was revealed the NHS had increasingly turned to anti-psychotic drugs, originally aimed at people with schizophrenia, as it has struggled to cope with the rise in people with dementia. The NAO says up to 150,000 people with dementia were inappropriately prescribed the drugs - contributing to a possible 1,800 additional deaths each year.

MPs debated the progress of the national dementia strategy in the House of Commons on Wednesday 27 January. All the three main parties restated their commitment to improving dementia care. The attention now given to dementia as an issue in politics and the media is encouraging, but the NAO report does show that the rhetoric is still a long way ahead of the reality.

External links

Improving dementia services in England - interim report

National Dementia Strategy web pages

https://member.lgiu.org.uk/briefings/2010/Pages/201000522.aspx 23/02/2010
Downloads

Related briefings
National Dementia Strategy

Related events
New horizons for housing related support