

## **SLOUGH BOROUGH COUNCIL**

**REPORT TO:** Health Scrutiny Panel **DATE:** 1<sup>st</sup> October 2015

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**WARD(S):** All

### **PART I** **FOR COMMENT & CONSIDERATION**

#### **ADULT SOCIAL CARE BUDGET AND REFORM PROGRAMME 2015-2019**

##### **1. Purpose of Report**

To provide Panel members with a summary of the challenges facing adult social care (ASC), the impact on the budget and the ASC reform programme 2015-19.

##### **2. Recommendation(s)/Proposed Action**

The Panel is requested to note and comment on the financial position facing ASC and the proposed future plans for reforming ASC over the next four years.

##### **3. The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan**

- 3.1 The ASC reform programme will through a number of key initiatives bring about a fundamental change in the way in which the Council delivers adult social care. Through the promotion of the wellbeing and prevention principles of the Care Act the changes will focus our work on wider client health and wellbeing issues related to quality of life and social isolation. The actions in the reform programme aim to improve, directly and indirectly, the wellbeing outcomes of the people of Slough against all the priorities of the Wellbeing strategy but especially the Health priority.

It will do this by promoting people's wellbeing, enabling people and families to prevent and postpone the need for care and support, and putting people in control of their lives so they can pursue opportunities underpinned by the theme of civic responsibility.

- 3.2 The Slough JSNA highlights the following key trends relevant to the content of the Local Account

- Deprivation is lower than average although over half the population live in areas classified as deprived;
- The health of the town is poor, the town is experiencing increasingly high rates of TB, and the number of premature deaths due to cardiovascular and cancer is worse than the national average. 25.7% of our adult population is classified as obese and this is expected to continue to increase.
- Estimated levels of adult smoking and physical activity are worse than the England average;

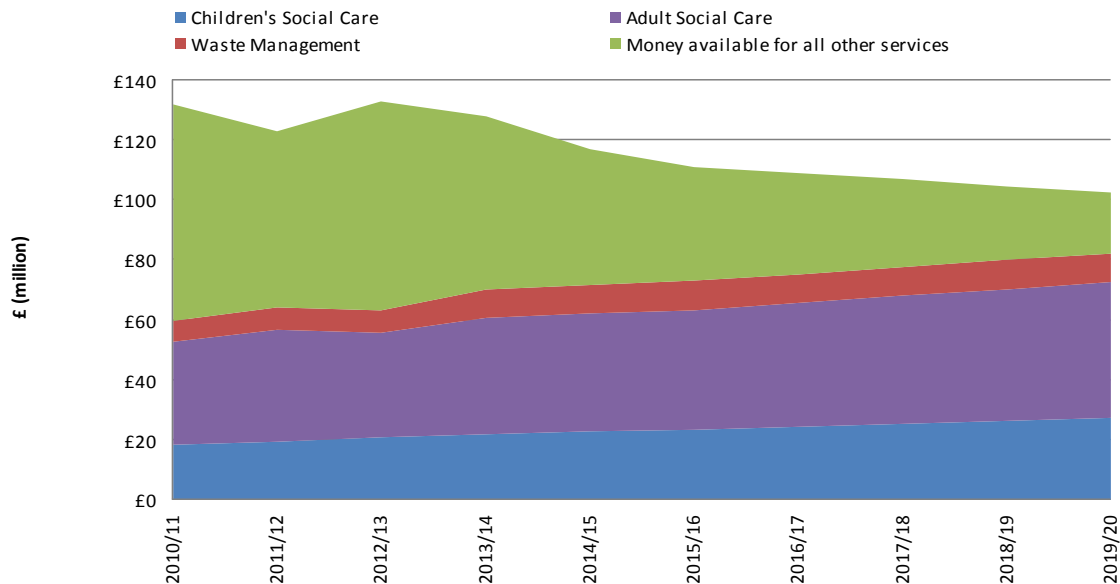
- The estimated level of smoking is above the national average at 22%;
- In the last ten years, all cause mortality rates have fallen. The early death rate from heart disease and stroke has fallen but is worse than the England average;
- The proportion of people aged 85 years and above in Slough is expected to increase by 27% over the next five years; this includes a growing percentage of a population which is diverse with complex health and social care needs.

This means that local health and social care services must change to meet the growing number of people with complex and long term needs.

- 3.3 The ASC Reform Programme supports outcome 6 of the Council's five year plan "People take more responsibility of their own care and support". This will be accomplished by supporting carers to carry out their caring role, promoting an individual's wellbeing, by building on the current social capital found in the community and increasing the provision of direct payments.

#### **4. Financial Implications**

- 4.1 The budget for ASC has been reducing, like all council budgets, over the last few years at a time when there is both an increasing demand for social care support and new burdens placed on all councils through the implementation of the Care Act 2014.
- 4.2 Although there has been some additional national ring fenced funding to cover some of the costs of the new burdens, the Panel would have heard at its last that this funding is likely to be insufficient for the potential increase in demand.
- 4.3 The current budget for ASC is projecting an overspend of approx £0.6m for 2015-16; with efficiency savings of £2.714m being delivered this year. There are further planned savings of £5.14m to be delivered by March 2019 by work in the ASC reform programme.
- 4.4 The financial gap that the council is facing over the next 4 years is estimated at £31m. These estimates are based in a mid point (between worst and best case scenarios) with regard to the impending government spending review. The efficiencies proposed by ASC are a contribution to this overall funding gap but if further savings are not found from the rest of the Council's expenditure or the financial gap grows due the outcome of the spending review ASC will need to identify further savings. If the Council continues to provide the comparative protection afforded to Children's and Adult Social Care in the past, the summary split of budgets by the end of the decade will be per the below:



- 4.5 The overall national picture for ASC is similar to the position faced by this Council. The LGA and ADASS estimate that since 2010 national spending on adult social care has fallen by 12% at a time when the population of those looking for support has increased by 14% requiring savings of 26% to be made, totalling £3.53bn over the last 4 years. The funding gap for social care is estimated to reach £4.3bn by 2020. Demography is the biggest single pressure, requiring an additional 3% per year to maintain services at their current level. The estimate assumes savings of 1.5% in each of the next two years and 1% thereafter as savings become much harder to make. This is in addition to the 12% savings achieved during the current spending review period. It also assumes that the additional costs of the Care Act will be fully reflected in central government support and a £500million net benefit from continuation of the BCF.

## 5. Risk Management

Risk	Mitigation
Managing demand	<ul style="list-style-type: none"> <li>Targeted actions in the Reform Programme and Better Care Fund.</li> </ul>
Care Act burdens	<ul style="list-style-type: none"> <li>Regular monitoring of the impact of the Act and escalation to programme board</li> </ul>
Reform programme actions and savings plans not on target	<ul style="list-style-type: none"> <li>Programme and project management discipline – regular review of each project. Escalation to Adults DMT and Programme board and corrective/alternative actions in place</li> </ul>
Savings Plans not delivered	<ul style="list-style-type: none"> <li>Regular review of each saving plan objective</li> <li>Escalation to Adults DMT and Programme board and corrective/alternative actions in place</li> </ul>
Council financial position to 2020	<ul style="list-style-type: none"> <li>Monitor and review national and local position</li> </ul>

## 5.1 Human Rights Act and Other Legal Implications

The ASC reform programme and the implementation of the Care Act is about ensuring that all people's rights including their human rights are met. The impact of the implementation of the Act will be monitored over the next two years.

## 5.2 Equalities Impact Assessment

Equality Impact Assessments will be undertaken as part of formal project initiation to assess the impact of any proposals on the protected characteristics as the reform programme is implemented. Impact assessments have been undertaken on all savings plans and no significant impacts identified.

## 5.3 Workforce

The ASC reform programme has a strong focus on workforce development. The aim of this component of the programme will be to develop a sector wide strategy to develop the capacity and capability of informal carers, personal assistants, community groups, volunteers as well as paid care home workers and social care workers in the Borough.

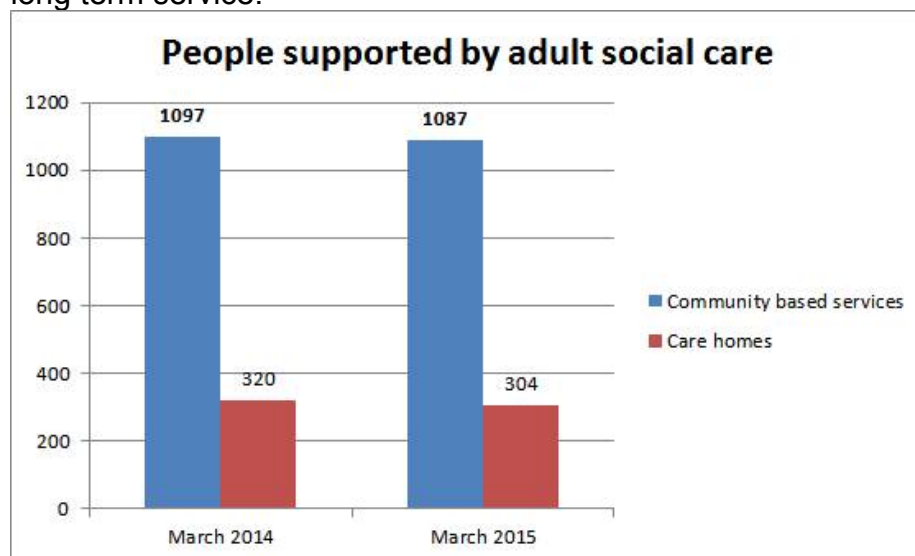
The strategy will be implemented through a focussed plan that will bring long term and sustained change that will address recruitment, retention, capacity and competency issues of the care and support sector in Slough. Importantly opportunities to develop a system wide workforce development plan will be explored.

## Supporting Information

### 6. **What is Adult Social Care**

Adult social care provides a range of supports and services to adults living in the borough who have a social care need due to their age, disability or illness. The service supports older people, people with a learning disability, people with a physical disability, people with mental health issues and carers.

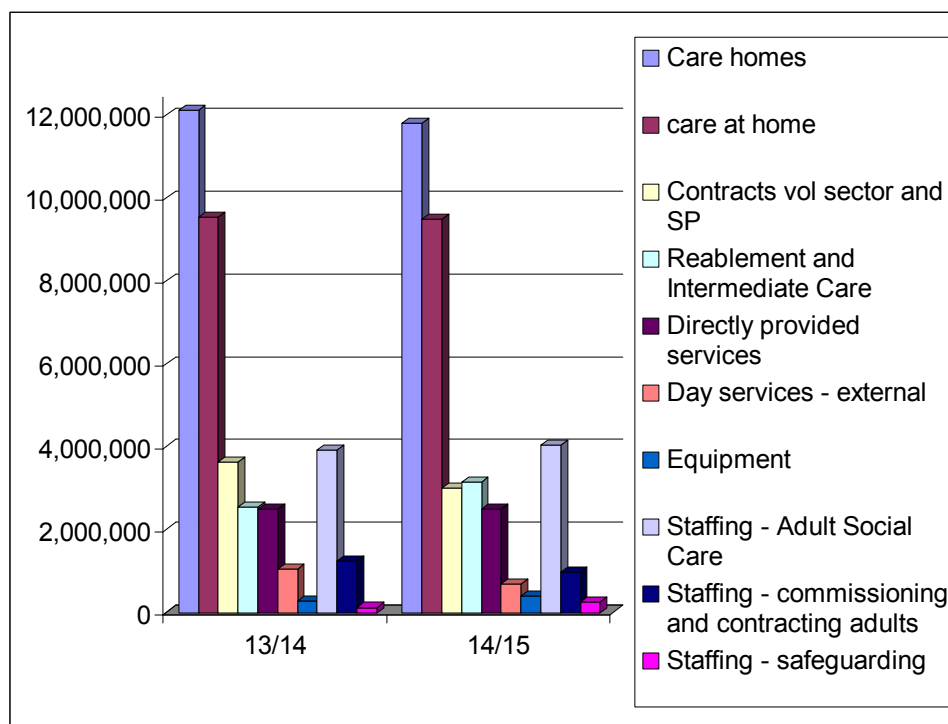
In 2014/15 ASC services in Slough supported approximately 1,400 people with a long term service.



The types of support that people receive include:  
- information, advice and advocacy

- prevention services – including reablement
- carers services
- direct payments to arrange and manage their own care and support
- care at home via domiciliary care, supported living, extra care and supported housing
- day services and employment support
- nursing and residential care

Below is a table that shows the spend in the main service areas in ASC in 2013/14 and 2014/15.



## 7. Summary of the current budget and expenditure

The table below shows the budget, underlying budget pressure and forecast outturn for ASC for 2015/16 at end of month 5.

Service Area	Budget	Underlying Outturn	Underlying Variance	Variance %	Forecast Outturn	Forecast Variance	Variance %
ASC	34,384	36,229	1,845	5.4%	35,002	618	1.8%

The forecast position is dependent on the delivery of the planned savings targets and new additional measures to manage the underlying budget pressure and slippage on the achievement of some of the savings targets.

## 8. Reasons for current overspend

There are two main reasons for the current underlying overspend:

- slippage on the delivery of savings
- increasing demand and complexity of needs of individuals

## 9. Main areas of savings 2015-2019

Savings Area	Descriptor	Value £m
<b>2015/16</b>		
Learning Disability change programme	Move from residential to supported living	£1m
Mental health	Review of existing support packages and services	£0.1m
Internal services	New models of delivery	£0.35m
Voluntary sector	Reduction in funding in contracts	£0.275m
Fees and charges	Increase client charging with inflation	£0.189m
Transformation 1	Care act principles – early intervention and prevention, community capacity, personalisation and direct payments	£0.5m
Transformation 2	Staffing restructure	£0.3m
<b>2016/17</b>		
Internal services	New models of delivery (year 2)	£0.3m
Extra care housing	New service	£0.5m
Transformation 1	Year 2 of the reform programme	£0.75m
Transformation 2	Year 2 of staffing restructure	£0.3m
<b>2017/18</b>		
Transformation 1	Year 3 of reform programme	£1m
<b>2018/19</b>		
Transformation 1	Final year of reform programme	£2.25m
<b>Total</b>		<b>£7.814</b>

## 10. Summary of ASC Reform Programme

The ASC reform programme governs a portfolio of projects including the Department's transformation, financial activities as well as the embedding of the Care Act.

The programme works within the spirit and ambition of the Act, building on the areas of good practice that exist in Slough and will modernise them still further in order to deliver services that will meet the needs of our population now and to ensure that these are fit for purpose for the next generation of service users. This will result in a shift from traditional residential and domiciliary services, which are delivered to clients who tend only to be known to the department at the point of crisis to one where people are managing their own care and support needs at a much earlier stage.

10.1 Working closely with health, internal Council services, providers, the voluntary sector and the residents of Slough will be critical in the development of an offer that will meet the future social care and support needs.

10.2 The programme will focus on 6 main development domains:

**Prevention** – The development of a local system-wide strategy and action plan, spanning voluntary, health and social care services to maintain a healthy population in the community. We will work with high consumers of services through targeted wellbeing and prevention plans and move our front door services to identify emerging cases more proactively.

**Information & Advice** – This component will ensure that the right information is provided to the right people, at the right trigger points in their lives. Proactive care and support planning will become the norm and independent advice and advocacy will be provided to people to help develop their support plans.

**Personalised Outcomes** – Through the development of the market place and safeguarding outcomes, people will have the choices of finding the right care and support at the right times in their lives. Increasing the use of direct payments is fundamental to enabling this change.

**Building Community Capacity** – Enabling people, voluntary organisations and the community to proactively manage their wellbeing and increase their resilience to succeed during periods of crisis.

**Workforce Development and Quality** – both internal and external workforces will be developed to deal with the changing and growing demands facing the health and social care economy over the next 5 years. This will require staff to adapt to flexible, multi-disciplinary ways of working.

**Integration** – the scale of the change required cannot be managed in isolation; people do not access care and support from just one single source. Slough services will continue to be commissioned from a whole systems perspective around the best outcomes for residents.

10.3 In summary the main benefits expected as a result of this programme of work include:

- People take more responsibility of their own care and support
- Reduction in operating costs for complex cases
- Increase in co-produced services that are more likely to achieve personal outcomes
- Reduction in admissions to care home and acute settings
- Reduction in re-admission rates to acute settings
- Cashable savings to both local Social Care and Health budgets
- Increase in self-directed support and direct payments as people take more control of their own care and support
- Operational workload management efficiencies
- Improvement in choice and outcomes for individuals
- Untapped social capital reduces local authority and NHS revenue and capital costs
- Staff are more fulfilled in their professional lives
- Increase staff retention rates and staff satisfaction

11. **Conclusion**

Adult social care is facing a significant challenge over the coming years with increasing demand and reducing expenditure. Members of the Health Scrutiny Panel are asked to review and comment on this financial challenge, the ASC reform programme and planned changes and savings as described in this report.

12. **Appendices Attached**

None

13. **Background Papers**

None