

SLOUGH BOROUGH COUNCIL

REPORT TO: Health Scrutiny Panel **DATE:** 14th January 2016

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PART I **FOR INFORMATION AND DISCUSSION**

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

1. Purpose of Report

To update Panel members on the in-year adult social care (ASC) budget, the future budget plans and an update on the progress of the implementation of the ASC reform programme and the Care Act.

2. Recommendation(s)/Proposed Action

The Panel is requested to note and comment on the financial position facing ASC the proposed budget plans and the progress being made on the implementation of the ASC reform programme and 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 services. 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 Slough 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.

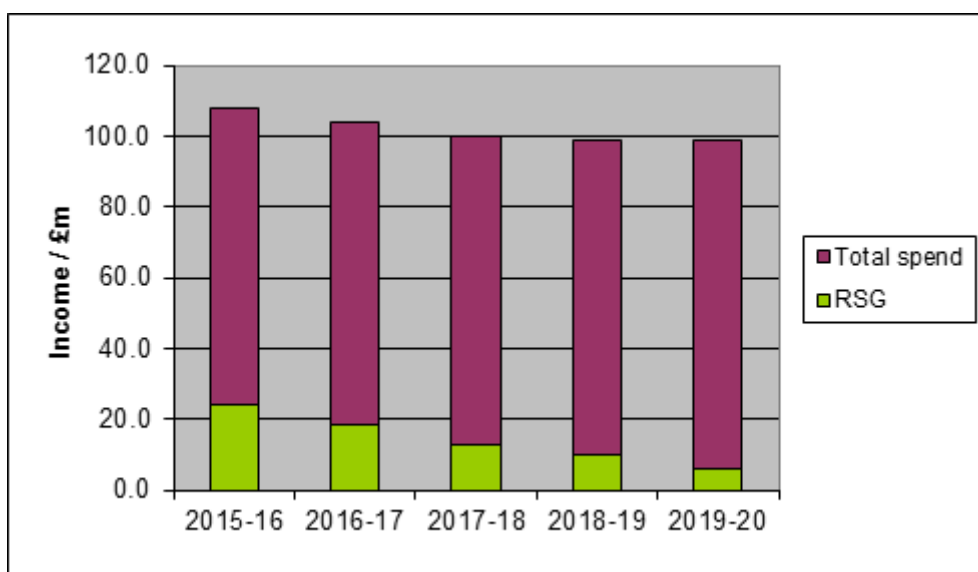
4. Financial Implications

- 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 The current budget for ASC is still 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 the delivery of the ASC reform programme.
- 4.3 The recent provisional Local Government Spending Review has highlighted a further significant reduction in funding to the Council. In 2013-14 the Council received £40m of Government Grant; in 2019-20 this will be £6m – i.e. a reduction of 85% over the six year period. This unprecedented level of funding reductions will have a significant impact on how public services are delivered by the Council going forward, including Adult Social Care.

As part of the finance settlement, the Government announced a number of Adult Social Care specific changes. Firstly, there will be the option for Councils to raise a further precept of 2% to support Adult Social Care. For Slough, this would equate to circa £900k. Secondly, money that the Council had previously received in respect of the Care Act has been included within the overall

Government Grant, this amounts to almost half a million pounds and will be a major financial pressure for next year to fund. Thirdly, the Government has announced a further £1.5bn nationally for the Better Care Fund from 2018-19 (for Slough this is £1.4m then a further £1.2m in 2019-20). It appears that this money is coming from within existing resources however, though this will be new money to the BCF, it is coming from within Local Government itself but the detail of this is not yet known.

The Government figures assume that Councils increase Council Tax just beneath the referendum cap of 4%. If Slough was to do the same (and this is a decision for full Council in February), then the overall picture would be per the below. The proportion of income from Council Tax would increase, with the amount of funding from Government grant being marginal by 2019-20. Overall financial resources would be considerably below the £114m in 2013-14 and the current levels, but would potentially stabilise, assuming no further demographic or other financial pressures on the Council. Given recent history for Local Government as a whole, this is unlikely.



5. Risk Management

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

5.1 Human Rights Act and Other Legal Implications

The ASC reform programme and the implementation of the Care Act are 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. 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 8.

Service Area	Budget £'000	Underlying Outturn £'000	Underlying Variance £'000	Forecast Outturn £'000	Forecast Variance £'000
ASC	34,458	35,981	1,523	35,062	604

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.

7. Reasons for current overspend

There are two main reasons for the current overspend:

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

8. Main areas of savings 2015-2019

Savings Area	Descriptor	Value £m	Progress
2015/16			
Learning Disability change programme	Move from residential to supported living	£1m	Will be delivered
Mental health	Review of existing support packages and services	£0.1m	Delivered
Internal services	New models of delivery	£0.35m	Not delivered – to be delivered in 2016/17
Voluntary sector	Reduction in funding in contracts	£0.275m	Delivered
Fees and charges	Increase client charging with inflation	£0.189m	Delivered
Transformation 1	Care act principles – early intervention and prevention, community capacity, personalisation and direct payments	£0.5m	Will be delivered
Transformation 2	Staffing restructure	£0.3m	Not delivered – to be delivered in 2016/17
2016/17			
Internal services	New models of delivery (year 2)	£0.3m	Plans in place
Transformation 1	Year 2 of the reform programme	£1.8.m	Plans in place
Transformation 2	Year 2 of staffing restructure	£0.3m	Plans being developed
2017/18			
Transformation 1	Year 3 of reform programme	£1m	Plans in place
Extra care housing	New service	£0.5m	Plans in place, capital contribution approved. Risk of delay of start to early 2018
2018/19			
Transformation 1	Final year of reform programme	£1.2m	Plans in place
Total 2015-2019		£7.814	

Savings under Transformation 1 above for 2016-2019 include:

- Telecare and equipment
- Drug and alcohol services redesign
- Reduction in expenditure due to increase of people being in receipt of continuing health care
- Provider review of people receiving care at home
- Re-assessments of care packages
- Housing related support redesign
- Mental health supported living redesign
- Voluntary sector funding

9. Progress on delivery of the ASC Reform Programme & the Implementation of the Care Act 2014

The Care Act received Royal assent on the 14th May 2014 and consolidated and modernised the framework of social care law for adults in England which has stood for nearly 70 years.

The Act has introduced a number of new duties and powers for Local Authorities including those to integrate local services, promote the wellbeing of residents and new rights for carers.

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 2014.

- 9.1 The initial changes experienced in ASC due to changes in eligibility criteria, safeguarding and carer responsibilities are now managed as part of daily business. The initial increase in departmental contacts from April 2015 is now at consistent levels, but the service is experiencing an increase in the complexity of needs of the contacts being made.

Looking ahead over the next 12 months the main areas of challenge for the programme consist of embedding the new asset based model for social work practice and community capacity building and the associated departmental, organisational and community cultural change required to make these initiatives successful.

Work on market development has started through the community and voluntary sector SPACE alliance, but changes are still required across all ASC provision, this is a process that will require continued contract management and as necessary re-commissioning.

- 9.2 Since the last reporting period, delivery has focused on following areas of the programme:

Prevention – From 8 January 2016 the department will change the manner in which clients are assessed from a “needs deficit” model towards one that focuses on community based support and care, maximising all available resources, assets and skills available to people and families.

This approach known as an “Asset Based Conversation” will challenge assumed best practices and sharing new ways of working across similar initiatives taking place at Reading and West Berkshire Borough Councils. This project has inter-dependencies with the new voluntary sector SPACE contract, the Community Hubs development work and the ASC organisational workforce review.

Integration –Internal partnerships have been created to develop community based social work and virtual community hub working. Starting in February 2016 community facing Council support teams will meet together on a weekly basis to working collaboratively on individual Slough resident issues to improve outcomes.

Information & Advice –Re-commissioning of the independent advocacy service as an “Advocacy Hub” in line with the Care Act 2014. The contract will start on 1 April 2016, for an initial 3 year period. It is expected that this contract will provide increased value for money, a streamlined single referral for independent advocacy and manage the qualification standards of the service in line with the Care Act duty to provide NVQ level 3 advocacy training.

Personalised Outcomes - the Enham Trust Personal Assistants contract started on 1 July 2015. The service has been publicised locally (Oct 2015 Citizen) in order to recruit local Personal Assistants, local referral procedures have been implemented and the online matching database is in development. Enham are also supporting current and new direct payment recipients with employment information and advice to ensure they are legally compliant with employer and HMRC regulations.

The ASC team is on target with the re-assessments of all open cases in order to meet the duties under the Care Act 2014. This work oversees the reassessment of nearly 600 cases and will promote personalised outcomes through Asset Based Conversations and Direct Payments, Continuing Health Care support and increased use of Assistive Technology.

Building Community Capacity - the voluntary and community sector contract (£3.2mn over 3 years) has been awarded to the SPACE alliance which will start in January 2016. This contract will deliver more positive outcomes for individuals and community groups, while ensuring that smaller community and voluntary organisations are engaged through an alliance delivery model.

Workforce Development and Quality – progress has been made in the delivery of mobile and remote technology to aid the development of flexible working practices for ASC staff outside of St Martin's Place and in the community hubs. A pilot will start in March 2016.

9.3 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 homes 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

10. 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, progress on the delivery of the ASC reform programme and planned changes and savings and the first 9 months implementation of the Care Act 2014.

11. Appendices Attached

None.

12. Background Papers

None.